

Consolidated Quarterly Report

at 31 March 2022



Summary

Company officers.....	2
Ownership structure.....	3
Mission and Vision of the Iren Group.....	4
Key Figures of the Iren Group: Highlights First Quarter 2022	6
The Corporate Structure of the Iren Group.....	8
Information on the Iren stock in the First Quarter 2022	12
DIRECTORS' REPORT AT 31 MARCH 2022	15
Significant events of the period.....	16
Alternative Performance Measures.....	17
Financial position, financial performance and cash flows of the Iren Group	19
Segment reporting.....	25
Financial management	34
Significant events after the reporting period and outlook.....	36
CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2022.....	39
Basis of preparation.....	40
Basis of consolidation	43
Consolidation scope.....	45
Statement of Consolidated Financial Position.....	48
Consolidated Income Statement	50
Statement of Other Comprehensive Income.....	51
Statement of changes in Consolidated Equity.....	52
Consolidated Statement of Cash Flow.....	54
List of consolidated companies	55
List of joint ventures	56
List of associates.....	57
Certification by the Manager in charge of financial reporting pursuant to Article 154-bis, paragraph 2 of Italian Legislative Decree no. 58/1998 ("Testo Unico della Finanza" [Consolidated Finance Act])	59

COMPANY OFFICERS

Board of Directors ⁽¹⁾

Chairperson	Renato Boero ⁽¹⁾
Deputy Chairperson	Moris Ferretti ⁽³⁾
Chief Executive Officer and General Manager	Gianni Vittorio Armani ⁽⁴⁾
Directors	Sonia Maria Margherita Cantoni ⁽⁵⁾ Enrica Maria Ghia ⁽⁶⁾ Pietro Paolo Giampellegrini ⁽⁷⁾ Alessandro Giglio ⁽⁸⁾ Francesca Grasselli ⁽⁹⁾ Maurizio Irrera ⁽¹⁰⁾ Cristiano Lavaggi ⁽¹¹⁾ Ginevra Virginia Lombardi ⁽¹²⁾ Giacomo Malmesi ⁽¹³⁾ Gianluca Micconi Tiziana Merlino Licia Soncini ⁽¹⁴⁾

Board of Statutory Auditors ⁽¹⁵⁾

Chairperson	Michele Rutigliano
Standing auditors	Cristina Chiantia Simone Caprari Ugo Ballerini Sonia Ferrero
Alternate Auditors	Lucia Tacchino Fabrizio Riccardo Di Giusto

Independent Auditors

KPMG S.p.A. ⁽¹⁶⁾

Manager in charge of financial reporting

Anna Tanganelli

⁽¹⁾ Appointed by the Shareholders' Meeting of 22 May 2019 for the 2019-2020-2021 three-year period

⁽²⁾ Appointed Chairperson by the Shareholders' Meeting of 22 May 2019.

⁽³⁾ Appointed Deputy Chairperson at the Board of Directors meeting held on 22 May 2019.

⁽⁴⁾ Co-opted as Director pursuant to article 2386 of the Italian Civil Code and appointed Chief Executive Officer and General Manager at the meeting of the Board of Directors held on 29 May 2021, to replace Massimiliano Bianco, who resigned from these positions with effect from the same date.

⁽⁵⁾ Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.

⁽⁶⁾ Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.

⁽⁷⁾ Member of the Remuneration and Appointments Committee, appointed on 22 May 2019. Mr Giampellegrini was also appointed Chairperson of the Remuneration and Appointments Committee at the Board of Directors meeting held on 30 May 2019.

⁽⁸⁾ Member of the Related Party Transactions Committee, appointed on 22 May 2019.

⁽⁹⁾ Member of the Related Party Transactions Committee from 22 May to 30 May 2019, and member of the Remuneration and Appointments Committee as of 30 May 2019.

⁽¹⁰⁾ Member of the Remuneration and Appointments Committee, appointed on 22 May 2019.

⁽¹¹⁾ Member of the Remuneration and Appointments Committee from 22 May to 30 May 2019, and member of the Control, Risk and Sustainability Committee from 30 May 2019.

⁽¹²⁾ Member of the Related Party Transactions Committee, appointed on 30 May 2019.

⁽¹³⁾ Member of the Audit, Risk and Sustainability Committee, appointed on 22 May 2019 and member of the Related Party Transactions Committee, appointed on 30 May 2019. Mr Malmesi was also appointed Chairperson of the Control, Risk and Sustainability Committee at the Board of Directors meeting held on 30 May 2019.

⁽¹⁴⁾ Member of the Related Party Transactions Committee, appointed on 22 May 2019. Ms Soncini was also appointed Chairperson of the Related Party Transaction Committee at the full Committee meeting held on 29 May 2019.

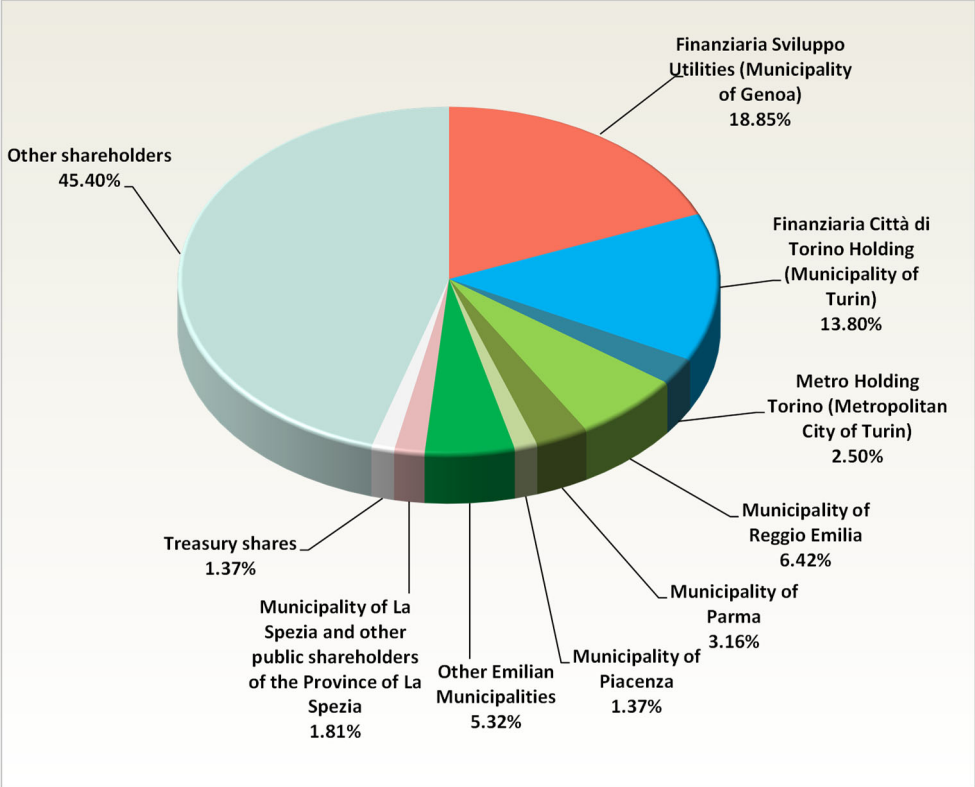
⁽¹⁵⁾ Appointed by the Shareholders' Meeting of 06 May 2021 for the 2021-2022-2023 three-year period.

⁽¹⁶⁾ Appointed by the Shareholders' Meeting of 22 May 2019 for the 2021-2029 nine-year period.

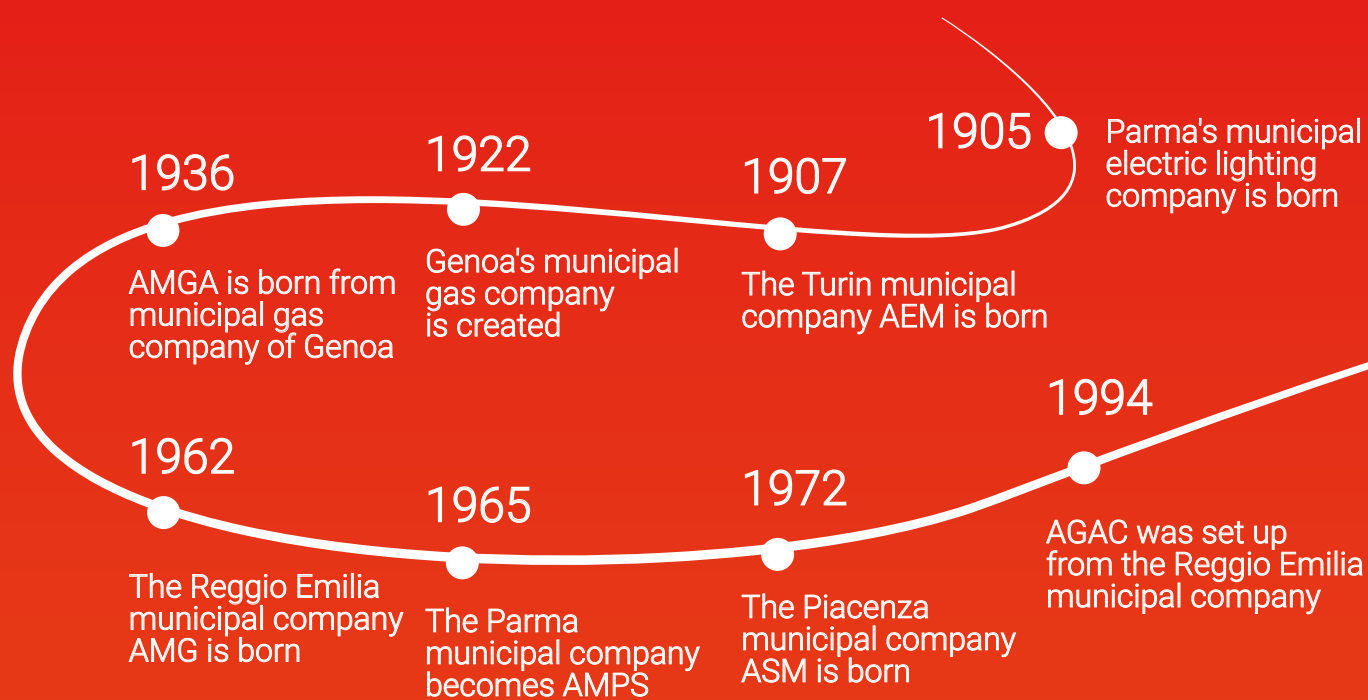
OWNERSHIP STRUCTURE

The Company's Share Capital amounts to 1,300,931,377 euro, fully paid up, and is made up of ordinary shares with a par value of 1 euro each.

As at 31 March 2022, on the basis of the information available to the company, Iren's ownership structure was as illustrated below; it should also be noted that there were no private shareholders holding more than 3% of the share capital.



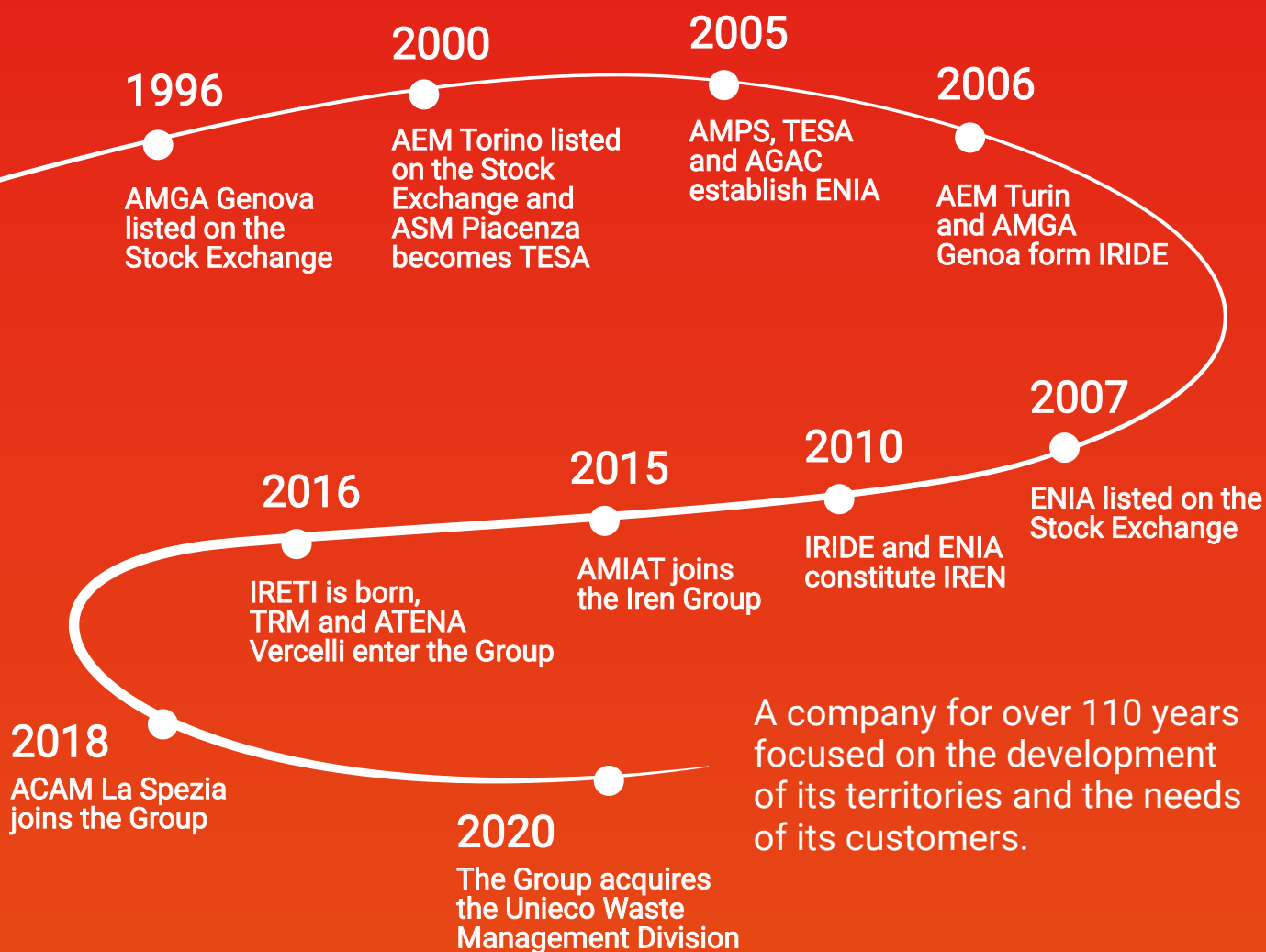
A century of history



Mission

To offer our customers and areas the best integrated management of energy, water and environmental resources, with innovative and sustainable solutions in order to create value over time.

For everyone, every day.



Vision

Improving people's quality of life, making businesses more competitive. To look at territorial growth with a focus on change. Merging development and sustainability into one unique value. We are the multi-utility company that wants to build this future through innovative choices.

For everyone, every day.

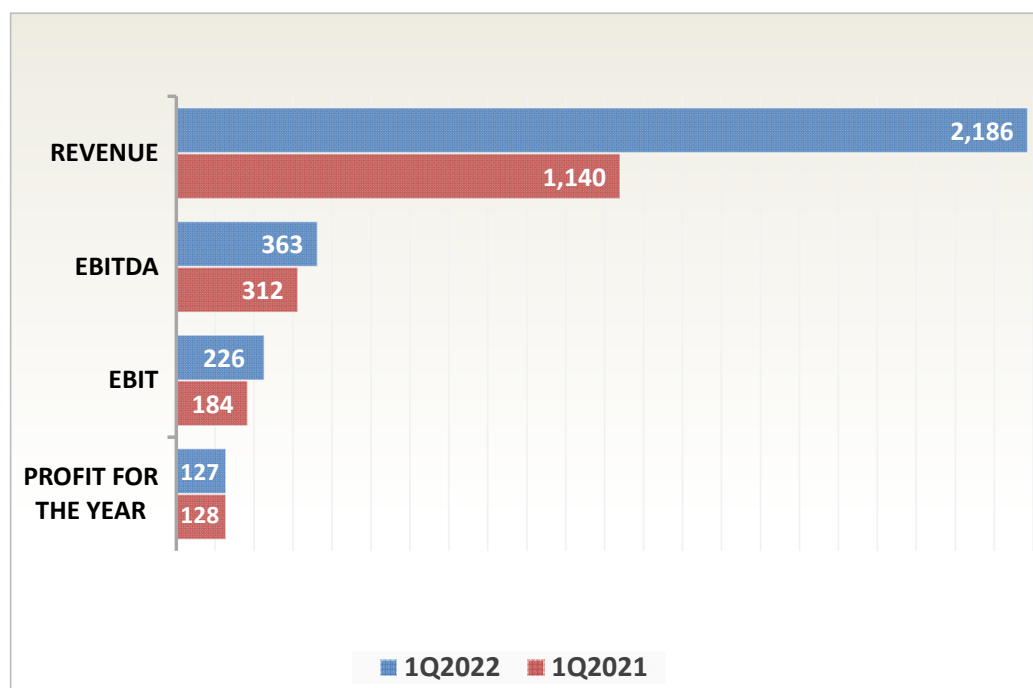
KEY FIGURES OF THE IREN GROUP: HIGHLIGHTS FIRST QUARTER 2022

Results

	millions of euro		
	First 3 months 2022	First 3 months 2021 Restated	Change %
Revenue	2,185.7	1,139.5	91.8
EBITDA:	362.8	312.3	16.2
Ebit	225.8	183.7	22.9
Profit for the period	127.2	127.5	(0.2)
Gross operating profit (EBITDA) Margin (Gross operating profit (EBITDA)/Revenue)	16.6%	27.4%	

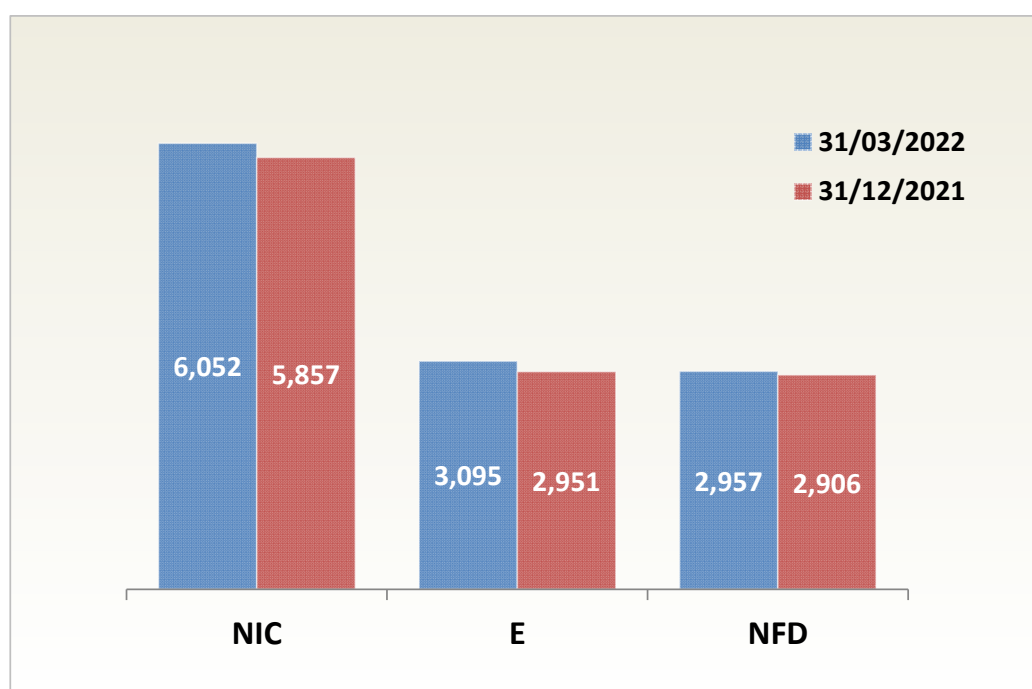
The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in the Unieco Waste Management Division and I.Blu, which took place at the end of 2021. Please refer to the “Basis of preparation” section for more information.

For definitions of Alternative Performance Measures, see the relevant section in this Report.



Financial position

	millions of euro		
	31.03.2022	31.12.2021	Change %
Net Invested Capital (NIC)	6,051.5	5,856.5	3.3
Equity (E)	3,094.6	2,950.7	4.9
Net Financial Debt (NFD)	2,956.9	2,905.8	1.8
Debt/Equity (Net Financial Debt/Equity)	0.96	0.98	

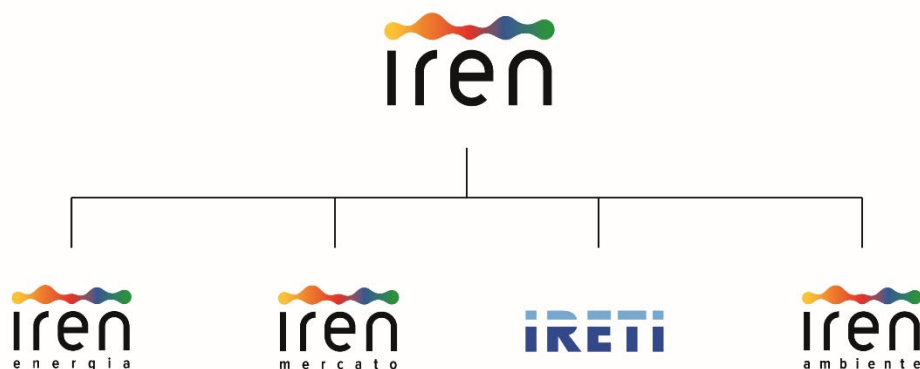


Technical and commercial figures

	First 3 months 2022	First 3 months 2021	Change %
Electricity produced (GWh)	3,084.0	2,952.3	4.5
Thermal energy produced (GWht)	1,522.5	1,476.1	3.1
Electricity distributed (GWh)	934.7	917.5	1.9
Gas distributed (mln m ³)	533.4	570.4	(6.5)
Water sold (mln m ³)	42.3	43.5	(2.8)
Electricity sold (GWh)	4,223.7	4,112.9	2.7
Gas sold (mln m ³) (*)	1,069.9	1,001.0	6.9
District heating volume (mln m ³)	98.9	96.6	2.4
Waste treated (tonnes)	791,450	842,165	(6.0)

* of which 594.3 mln m³ for internal use in the first 3 months of 2022 (531.3 mln m³ in the first 3 months of 2021, +11.9%)

THE CORPORATE STRUCTURE OF THE IREN GROUP



The Group is structured according to a model that envisages an industrial holding company (Iren S.p.A., with registered office in Reggio Emilia) and four companies responsible for the individual business lines, located in the main operating sites of Genoa, Parma, Piacenza, Reggio Emilia, Turin, Vercelli and La Spezia.

Iren S.p.A. is responsible for strategic, development, coordination and control activities, while the four Business Units (BUs) have been entrusted with the coordination and direction of the companies operating in their respective sectors:

- Networks, which works in the areas of integrated water cycle, gas distribution and electricity distribution;
- Waste Management, which carries out waste collection, urban hygiene, treatment and disposal activities;
- Energy, operating in the sectors of electric and thermal energy production, district heating, energy efficiency and technological services, public lighting and traffic light networks;
- Market, active in the sale of electricity, gas, heat for district heating and products and services in the field of home automation, energy saving and electric mobility for customers.

NETWORKS BU

Integrated water services

IRETI, head of the Business Unit, directly and through its operating subsidiaries Iren Acqua, Iren Acqua Tigullio, ASM Vercelli and ACAM Acque operates in the water supply, sewerage and waste-water treatment sectors in the provinces of Genoa, Savona, Piacenza, Parma, Reggio Emilia, Vercelli, La Spezia and in some other municipalities located in Piedmont and Lombardy. Overall, in the Ambiti Territoriali Ottimali (ATO, Optimal Territorial Areas) managed, the service is provided in 238 municipalities through a distribution network of 20,088 kilometres, serving almost 2.8 million residents. As regards waste water, the Networks BU manages a sewerage network spanning a total of 11,291 kilometres.

Gas distribution

IRETI distributes natural gas in 70 municipalities of the Provinces of Reggio Emilia, Parma and Piacenza (including the capitals), in the Municipality of Genoa and in 20 other municipalities nearby. In addition, through ASM Vercelli it distributes gas in the city of Vercelli, in 10 municipalities of the same province and in 3 other municipalities in Piedmont and Lombardy. The distribution network, made up of 8,115 kilometres of high, medium and low-pressure pipes, serves a catchment area of approximately 741 thousand redelivery points.

Electricity distribution

IRETI provides the electricity distribution service in the cities of Turin, Parma and, through ASM Vercelli, in the city of Vercelli with 7,849 kilometres of network in medium and low voltage, and a total of nearly 725 thousand connected users.

WASTE MANAGEMENT BU

Iren Ambiente, the head of this Business Unit, operates in particular in the sectors of waste collection, treatment and disposal in the historic Emilia catchment area, as well as managing a number of treatment and disposal plants in the provinces of Turin and Savona.

In addition, the Waste Management BU operates along the waste chain through companies located across other regions: AMIAT, ASM Vercelli (controlled by IRETI), TRM and Territorio e Risorse in Piedmont and ACAM Ambiente, ReCos and Rigenera Materiali in Liguria; San Germano instead carries out its main activity as waste collector in several regions, including Sardinia, Lombardy, Piedmont and Emilia-Romagna.

Again with reference to the territories in which the Group operates, the recently acquired companies of the so-called "Divisione Ambiente Unieco" (Unieco Waste Management Division), located in a number of Italian regions (Emilia Romagna, Piedmont, Tuscany, the Marches and Apulia), are active in all stages of the supply chain: from intermediation to treatment and recovery, to the disposal of both municipal and special waste and, through the associated company SEI Toscana, also in the collection of municipal waste.

Finally, I.Blu is active in the sorting of plastic waste for recovery and recycling and in the treatment of plastic waste for the production of Blupolymer (polymer for civil uses) and Bluair (reducing agent for steel plants).

The Business Unit therefore carries out all the activities of the municipal waste management cycle (collection, sorting, recovery and disposal), with particular attention to sustainable development and environmental protection confirmed by increasing levels of sorted waste collection; it also manages an important portfolio of customers to whom it provides all services for the disposal of special waste.

The Waste Management BU serves a total of 300 municipalities with more than 2.9 million residents in its operational areas. The integrated waste cycle is mainly made up of 3 waste-to-energy plants (TRM, owned by the company of the same name, in Turin, Polo Ambientale Integrato (PAI) (Integrated Environmental Hub), in Parma, and Tecnoborgo, in Piacenza, the latter owned by Iren Ambiente, which heads up the BU), 4 active landfills, 317 equipped technological stations and 53 treatment, selection, storage, recovery, biodigestion and composting plants.

ENERGY BU

Production of electricity and heat

The Energy BU's installed capacity totals 2,728 MW of electricity and approximately 2,350 MW of heat. Specifically, it has 31 electricity production plants directly available to it: 23 hydroelectric (including 3 mini-hydro) plants, 7 thermoelectric cogeneration plants, and 1 conventional thermoelectric plant. The Business Unit has 95 photovoltaic production plants with an installed capacity of 18 MW.

Also completed at the beginning of the year was the acquisition of 100% of the capital of Puglia Holding, which through special purpose vehicles holds the authorisations for the construction and management of the ASI Troia photovoltaic parks in San Vincenzo and Montevergine (Province of Foggia) and the Palo del Colle complex (Province of Bari). With an installed capacity of 121.5 MW, the photovoltaic park in Apulia is the largest to date in Italy.

With respect to thermal production, at Group level, more than 34% of the total thermal power serving district heating comes from the cogeneration plants owned by Iren Energia, the company that heads up this BU and produces 77% of the heat for district heating. The share of thermal power related to conventional heat generators is 57%, with district heating production at 13%. The remainder of 10% is produced by group plants not belonging to the Business Unit (waste-to-energy plants).

Electricity produced by plants fuelled by environmentally-friendly sources (renewable or high-efficiency cogeneration), which account for 70% of the Group's plant portfolio, generate more than 73% of all output. In particular, the hydroelectric production system plays an important role in environmental protection, as it uses a renewable and clean resource, without the emission of pollutants, and reduces the need to make use of other forms of production that have a greater environmental impact.

In 2020, a contract was signed with Ansaldo for the expansion of the Turbigio thermoelectric power plant through the design, supply and construction of a new gas-fired combined-cycle power generation plant, which will increase the site's total installed capacity from the current 850 MW to about 1,280 MW, project that was substantially completed in 2021 and will enter into operation by summer 2022.

Iren Energia also oversees the scheduling and dispatching of the Group's electricity production, as well as operations on the power exchange.

District heating

Iren Energia has the most extensive district heating network in Italy (1,091 kilometres of double pipe network), with 726 kilometres in the Turin area, of which 79 kilometres in the municipalities of Grugliasco, Rivoli and Collegno (Metropolitan City of Turin), 10 in the Municipality of Genoa, 221 in the Municipality of Reggio Emilia, 104 in the Municipality of Parma and 30 in the Municipality of Piacenza; the total volume heated amounts to 98.9 million cubic metres.

Energy efficiency services

Through its subsidiary Iren Smart Solutions, the Energy BU operates in the energy efficiency sector, designing, implementing and managing measures to reduce energy consumption; it provides energy services and global services for residential buildings, private and public facilities as well as industrial and commercial complexes, guaranteeing the maintenance and management of heating, air-conditioning, plumbing, sanitary, refrigeration, electrical and solar panel systems, as well as their design and installation. Iren Smart Solutions also handles the development and management of public lighting and traffic lights and similar services.

At the end of 2021, Iren Smart Solutions acquired 100% of Bosch Energy and Building Solutions Italy S.r.l. (later renamed Iren Energy Solutions and merged into Iren Smart Solutions with effect from 1 March 2022), operating in the energy efficiency sector as an ESCo (Energy Service Company), specifically in the design, construction and management of integrated heating, air conditioning and cogeneration systems for public and private customers. The company, which operates mainly in northern Italy, will help expand, also in terms of know-how, the Group's activities in the energy efficiency sector, integrating the range of services offered.

MARKET BU

Sale of electricity

Iren Mercato operates, in the context of the free market, all over the country, with a higher concentration of customers in Central and Northern Italy, and handles the sale of the energy provided by the Group's various sources on the market of final customers and wholesalers. The main Group energy sources available for its activities are the thermoelectric and hydroelectric plants of Iren Energia. The company also operates as the operator of the "greater protection" service for retail customers on the electricity market in the city of Turin, the territory of Parma and the catchment area of the municipality of Sanremo (IM).

The retail and small business electricity customers managed are over one million, distributed mainly in the traditionally served basin of Turin and Parma and in the other areas commercially covered by Iren Mercato and ATENA Trading.

Sale of Natural Gas

Retail gas customers managed by the Market Business Unit amounted to more than 965 thousand, mainly throughout the traditional Genoa, Turin and Emilia Romagna catchment area and surrounding development areas, Vercelli, the Campania region (through ATENA Trading and Salerno Energia Vendite, respectively), and La Spezia. In particular, Salerno Energia Vendite is present in almost all the provinces in Campania as well as in a number of municipalities of the Basilicata, Calabria, Tuscany and Lazio regions.

From July 2021, with the acquisition of 100% of the share capital of SidIren S.r.l. operating in the sale of natural gas, Iren Mercato has extended its gas customer portfolio to 78 municipalities in the province of Avellino. The company was merged into Iren Mercato effective 1 January 2022.

Sale of heat through the district heating network

Iren Mercato manages the sale of heat, purchased from Iren Energia, to district heating customers in the municipalities of Turin, Nichelino, Beinasco (Turin area), Genoa, Reggio Emilia, Piacenza and Parma and the commercial development in the areas of new district heating installations.

The commercial offers that complement the sale of commodities include the “New downstream” business line, for the marketing to retail customers of innovative products in the area of home automation, energy savings and the maintenance of domestic systems, and “IrenGO zero emissions”, the innovative offer for electric mobility aimed at private customers, companies and public bodies with the objective of reducing the environmental impact of travel. In this respect, the Group has also experimented with the potential and benefits of e-mobility by launching a series of internal initiatives such as the installation of charging infrastructures and the gradual introduction of electric vehicles. All the IrenGO internal and external electric mobility initiatives benefit from 100% green energy supply deriving from the Group’s hydroelectric plants.

INFORMATION ON THE IREN STOCK IN THE FIRST QUARTER 2022

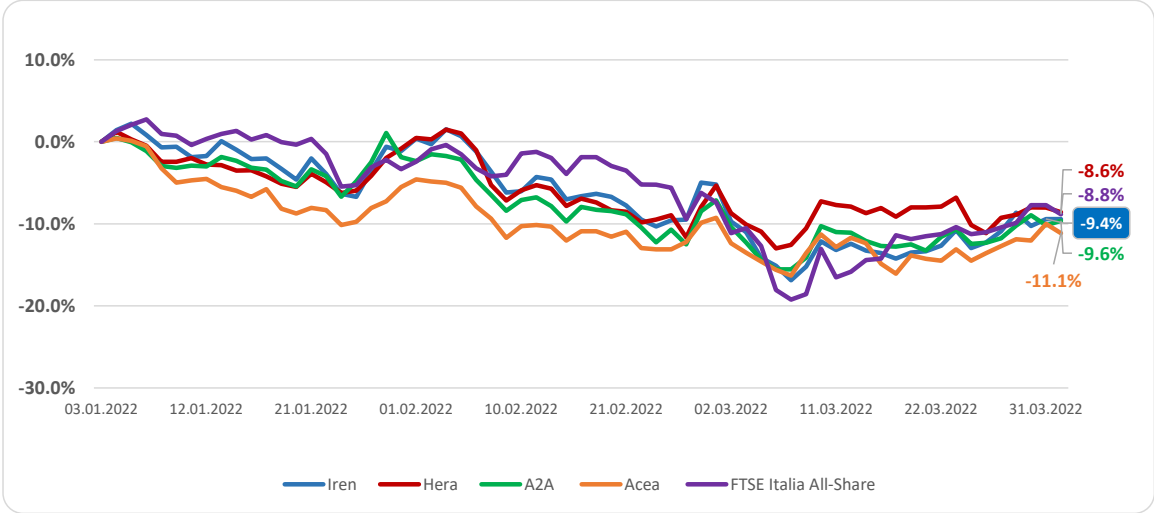
Iren stock performance on the stock exchange

In the first three months of 2022, the world's major stock market indexes reported a downward trend due, at first, to expectations regarding inflation, supported by energy commodity prices, and the resulting monetary policy decisions, the expectations of which leaned toward higher interest rates. Adding to the uncertainty was Russia's invasion of Ukraine, which, among other effects, exacerbated the rise in commodity prices, particularly natural gas and oil.

During the first quarter of 2022, the FTSE Italia All-Share (the main index of the Italian Stock Exchange) reported a decline of 8.8%, mainly related to the events described above, amid Italy's high energy dependence on natural gas supplies from Russia.

The four multi-utilities performed in line with, if not at a lower level than, the FTSE index, being impacted by the high volatility of the energy scenario and the regulatory uncertainty related to the measures introduced by the Italian government to contain energy prices; in fact, it cannot be ruled out that further measures in favour of end consumers may be passed in the immediate future.

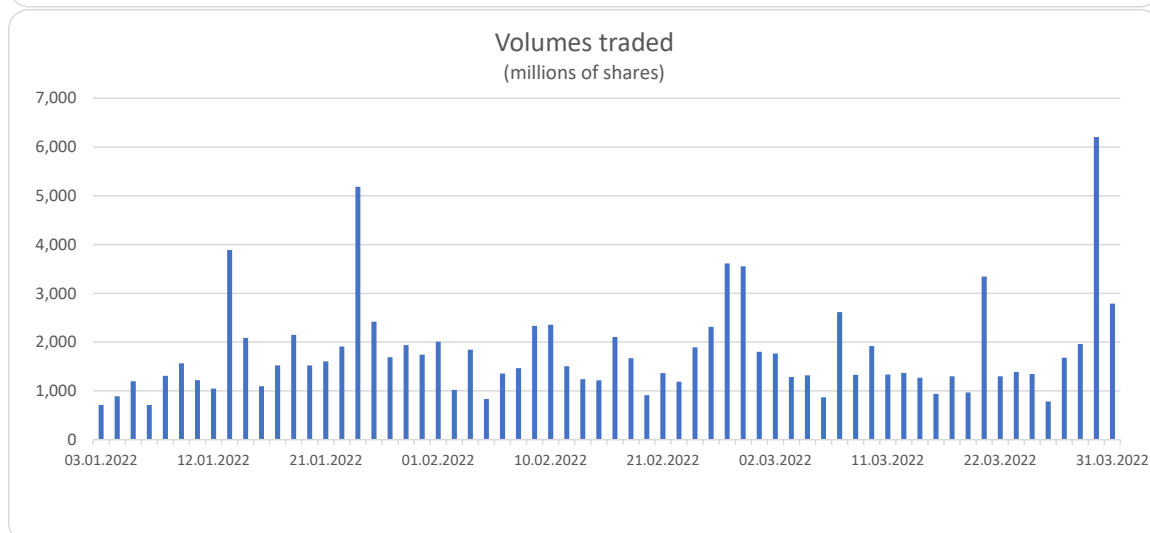
Performance of Iren stock compared to competitors



At 31 March 2022, the last trading day in the period, the price of IREN share stood at 2.404 euro/share, down by 9.4% compared to the price at the beginning of the year, with average trading volumes during the period amounting to approximately 1.8 million units. The average price during the first quarter of 2022 was 2.47 euro/share.

The high for the period was recorded on 04 January 2022, at 2.71 euro/share; the low for the period, at 2.20 euro/share, was recorded on 7 March.

The two charts below show the price performance and volumes traded in Iren stock in the period.



Share coverage

During the period, the Iren Group was followed by seven brokers: Equita, Exane (sponsored research), Intermonte, Intesa Sanpaolo, Kepler Cheuvreux, Mediobanca and Stifel.

SIGNIFICANT EVENTS OF THE PERIOD

Acquisition of photovoltaic systems

On 16 February 2022, the Group finalised the acquisition from European Energy S/A, a Danish company active in the development and management of wind and photovoltaic plants, of 100% of Puglia Holding S.r.l., holder of five Special Purpose Vehicles (SPV) holding the authorisations for the construction and management of the photovoltaic parks of ASI Troia, in the localities of San Vincenzo and Montevergine (Province of Foggia) and the complex of Palo del Colle (Province of Bari).

The acquired plants were built between 2019 and early 2022 and have an installed capacity of 121.5 MW, making them the largest photovoltaic park built in Italy to date. The acquired business has an Enterprise Value of 166 million euro.

Together with the Puglia Holding operation, Iren Energia entered into a commercial agreement relating to the European Energy plants under development for a total installed capacity of 437.5 MW in four sites located in Lazio, Sicily and Apulia. The agreement provides for the possibility of exercising rights to invest in such assets over a period of exclusivity and at various stages of development.

Financing to support investments for the development of district heating in Turin

Continuing the cooperation in the field of environmental sustainability started in 2020, on 25 March 2022, the Council of Europe Development Bank (CEB) and Iren S.p.A. signed a Public Finance Facility (PFF) loan for 80 million euro to support the investments for the development of the district heating network in the metropolitan area of Turin, provided for in the Business Plan.

The investments financed are aimed at saturating and extending district heating to new areas by connecting new users and improving the operational efficiency and flexibility of the network.

ALTERNATIVE PERFORMANCE MEASURES

The Iren Group uses alternative performance measures (APMs) in order to convey more effectively the information on the profitability of its business lines, and on its financial position and financial performance. These measures are different from the financial measures explicitly required by the International Financial Reporting Standards (IFRS) adopted by the Group.

On the subject of these measures, CONSOB issued Communication no. 92543/15 which makes applicable the Guidelines issued by the European Securities and Markets Authority (ESMA) on their presentation in the regulated information distributed or in prospectuses published. These Guidelines are aimed at promoting the usefulness and transparency of the alternative performance measures included in regulated information or prospectuses that fall within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and comprehensibility.

In line with the aforementioned communications, the criteria used to construct these measures presented in the present financial report are provided below.

Net invested capital (NIC): determined by the algebraic sum of non-current assets, other non-current assets (liabilities), net working capital, deferred tax assets (liabilities), provisions for risks, employee benefits and assets (liabilities) held for sale.

This APM is used by the Group in the context of internal and external documents and is a useful measure for the purpose of measuring total net assets, both current and non-current, also through comparison between the reporting period and previous periods or financial years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Net financial debt: calculated as the sum of non-current financial liabilities net of non-current financial assets and current financial liabilities net of current financial assets and cash and cash equivalents.

This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's financial structure, including by comparing the reporting period with that of the previous periods or years.

Net Working Capital (NWC): determined as the algebraic sum of current and non-current contract assets and liabilities, current and non-current trade receivables, inventories, current tax assets and liabilities, sundry assets and other current assets, trade payables and sundry liabilities and other current liabilities.

This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's operational efficiency, including by comparing the reporting period with those related to the previous periods or years.

Gross operating profit or loss (EBITDA): calculated as the sum of profit or loss before tax, share of profit or loss of equity-accounted investees, gains and losses on equity-accounted investments, financial income and expense, and amortisation, depreciation, provisions and impairment losses. EBITDA is explicitly shown as a subtotal in the financial statements.

This APM is used by the Group in the context of both internal and external documents and is a useful tool for assessing the Group's operating performance (both as a whole and for the individual Business Units), including by comparing the operating profit or loss for the reporting period with that for previous periods or years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Operating profit or loss (EBIT): calculated as the sum of profit or loss before tax, share of profit or loss of equity-accounted investees, gains and losses on equity-accounted investments and financial income and expense. Operating Income is explicitly shown as a subtotal in the financial statements.

Free cash flow: determined as the sum of operating cash flow and cash flow from investing activities.

Investments: represents the sum of investments in property, plant and equipment, intangible assets and financial assets (equity investments), presented gross of grants related to assets.

This APM is used by the Group in the context of internal and external documents, and measures the financial resources absorbed to purchase durable goods in the year.

Gross operating profit or loss (EBITDA) margin: calculated by dividing the gross operating profit or loss by revenue.

This APM is used by the Group in the context of both internal and external documents and is a useful instrument for assessing the Group's operating performance (both as a whole and for individual Business Units), also through comparison with previous periods or years.

Net financial debt over equity: determined as the ratio between net financial debt and equity including non-controlling interests.

This APM is used by the Group in the context of both internal and external documents and is a useful instrument for assessing the financial structure in terms of the impact of the different sources of financing (third-party funds and own funds).

Investors should note that:

- these indicators are not recognised as performance criteria under IFRS;
- they shall not be adopted as alternatives to operating profit, profit for the year, operating and investing cash flow, net financial position or other measures consistent with IFRS, Italian GAAP or any other generally accepted accounting principle; and
- they are used by management to monitor business performance and its management, but are not indicative of historic operating results, nor are they intended to be predictive of future results.

FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CASH FLOWS OF THE IREN GROUP

Income statement

IREN GROUP INCOME STATEMENT

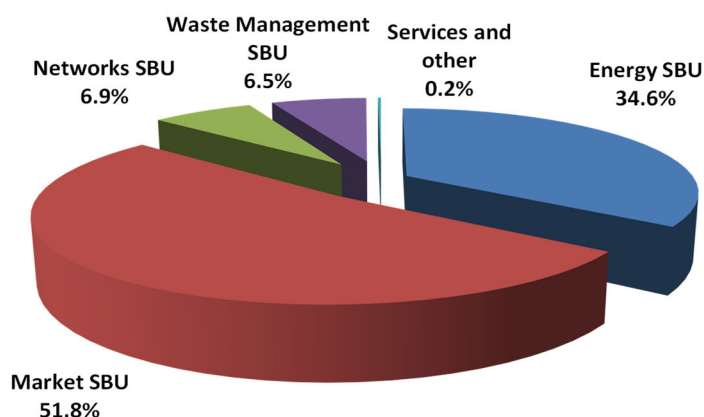
	thousands of euro		
	First 3 months 2022	First 3 months 2021 Restated	Change %
Revenue			
Revenue from goods and services	2,154,737	1,094,789	96.8
Other income	30,979	44,664	(30.6)
Total revenue	2,185,716	1,139,453	91.8
Operating expenses			
Raw materials, consumables, supplies and goods	(1,302,842)	(346,560)	(*)
Services and use of third-party assets	(383,621)	(351,140)	9.3
Other operating expenses	(21,276)	(18,317)	16.2
Internal work capitalised	11,689	10,682	9.4
Personnel expense	(126,915)	(121,823)	4.2
Total operating expenses	(1,822,965)	(827,158)	(*)
GROSS OPERATING PROFIT (EBITDA)	362,751	312,295	16.2
Depreciation, amortisation, provisions and impairment losses			
Depreciation and amortisation	(121,154)	(111,951)	8.2
Provisions for impairment of receivables	(14,258)	(14,564)	(2.1)
Other provisions and impairment losses	(1,567)	(2,039)	(23.1)
Total depreciation, amortisation, provisions and impairment losses	(136,979)	(128,554)	6.6
OPERATING PROFIT (EBIT)	225,772	183,741	22.9
Financial management			
Financial income	2,880	17,919	(83.9)
Financial expense	(17,947)	(21,961)	(18.3)
Net financial expense	(15,067)	(4,042)	(*)
Gains on equity-accounted investments	(33)	-	-
Share of profit of equity-accounted investees, net of tax effects	2,862	(191)	(*)
Profit before tax	213,534	179,508	19.0
Income tax expense	(86,362)	(52,053)	65.9
Profit from continuing operations	127,172	127,455	(0.2)
Net profit (loss) from discontinued operations	-	-	-
Profit for the period	127,172	127,455	(0.2)
attributable to:			
- the owners of the parent	118,340	120,431	(1.7)
- non-controlling interests	8,832	7,024	25.7

(*) Change of more than 100%

The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in the Unieco Waste Management Division and I.Blu, which took place at the end of 2021. Please refer to the "Basis of preparation" section for more information.

Revenue

At 31 March 2022, the Group reported revenue of 2,185.7 million euro, up +91.8% compared to 1,139.5 million euro in the first quarter of 2021. The main factors contributing to the increase include higher energy revenues, which were influenced by the rise in commodity prices (approximately 900 million euro) and the climate effect and consumption (approximately 28 million euro). Also contributing to the change in turnover, for 58 million euro, are the activities of energy requalification and restructuring of buildings, favoured by tax breaks (façade bonus and 110% superbonus), and other activities, in addition to the change in the consolidation scope related to the consolidation of the companies of Puglia Holding - photovoltaic plants - (+8 million euro).

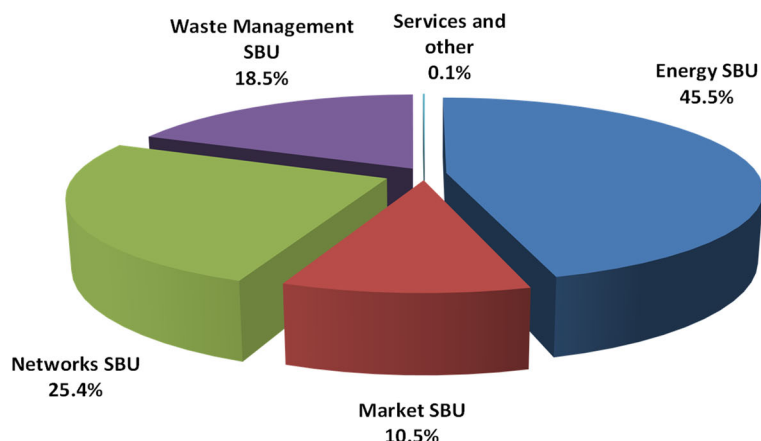


Gross Operating Profit (EBITDA)

The Gross operating profit (EBITDA) amounted to 362.8 million euro, up +16.2% compared to 312.3 million euro in the first quarter of 2021. About 6 million euros of the increase in margin is due to the expansion of the consolidation scope related to the acquisition of the companies of Puglia Holding.

Contributing positively to the improvement of EBITDA is the trend in the energy scenario characterised by a sharp increase in the price of electricity and thermal energy compared to the first quarter of 2021. The integrated management of the energy supply chain has enabled, in a highly volatile context, to offset the positive effects (margins on electricity and heat production up) and the negative effects (margins on gas and electricity sales down sharply, termination of energy certificates on the Torino Nord plant), thus contributing to the growth of the Group's overall margin. The organic growth related to the tariff increases of the network services linked to the investments made to improve the infrastructures, the development of the activities related to the energy requalification works and the full operation of the new biodigester in Cairo Montenotte also had a positive effect.

Overall, the increase in margin with reference to the individual business units is broken down as follows: Waste Management (+26.3%), Energy (+78.1%), Networks (+0.3%) while the Market business unit declined (-48.1%), the latter trend is related to the increase in the Energy BU in the logic of integrated management of the energy chain.



Operating profit (EBIT)

Operating profit (EBIT) amounted to 225.8 million euro, up +22.9% compared to 183.7 million euro in the first quarter of 2021. Amortisation and depreciation for the period rose by 9 million euro, due to the start-up of new investments and expansion of the consolidation scope, and to lower allocations to the provision for impairment of receivables and provisions for risks for 1 million euro.

Financial management

The financial management result shows a balance of net financial expense of 15.1 million euro; in the comparative period, the figure stood at 4.0 million euro.

The change is mainly attributable to lower financial income, which amounted to 2.9 million compared to 17.9 million in the first quarter of 2021, which included income from early settlement of financial liabilities. On the financial expenses side, there was a decrease of 4.1 million euro (17.9 million in the first quarter of 2022 versus 22.0 million in the same period of 2021), to which both the decrease in the average cost of financial debt and lower expenses for discounting provisions for charges contributed.

Gains to equity investments

This item, of minimal amount, refers to the write-down of shares in an investee in the Market sector and is not present in the comparative period.

Share of profit of equity-accounted investees , net of tax effects

This item, which amounts to +2.9 million euro (-0.2 million in the first quarter of 2021), includes the share of the pro-rata results of the Group's associates, the most significant of which regard Valle Dora Energia, ASA and Aguas de San Pedro.

Profit before tax

As a result of the above trends, consolidated profit before tax amounted to 213.5 million euro (179.5 million euro in the first quarter of 2021).

Income tax expense

Income taxes for the period amounted to 62.3 million euro, up compared to 52.1 million euro in the comparative period, with a tax rate of 29.2% (unchanged compared to the comparative period).

The item also includes the best estimate of the effects of the measure set out in article 37 of Decree Law 21/2022 being converted, which provides for a levy as an "extraordinary contribution against high utility bills" equal to 10% of the "extra-profits" of companies operating in the energy sector. This percentage was increased by an additional 15% (thus totalling 25%) as a result of the indications that emerged following the Council of Ministers meeting held on 02 May 2022, which launched, among other things, additional urgent measures on national energy policies aimed at countering the effects of the political and military crisis in Ukraine. The Decree Law of 02 May 2022 has not yet been published as of the date of this report. For the Group, the total contribution is estimated at 24.1 million euro.

Profit for the period

As a result of the above, there was a net profit for the period of 127.2 million euro, a decrease of 0.2% compared to the result of the same period in 2021.

The figure is due to the profit pertaining to the owners of the parent of 118.4 million euro, while profit attributable to non-controlling interests was 8.8 million euro.

Statement of Financial Position

RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF THE IREN GROUP

	thousands of euro		
	31.03.2022	31.12.2021	Change %
Non-current assets	7,239,774	7,020,803	3.1
Other non-current assets (liabilities)	(461,409)	(458,642)	0.6
Net Working Capital	(167,082)	(222,501)	(24.9)
Deferred tax assets (liabilities)	240,079	244,575	(1.8)
Provisions for risks and employee benefits	(801,008)	(728,898)	9.9
Assets (Liabilities) held for sale	1,144	1,144	-
Net invested capital	6,051,498	5,856,481	3.3
Equity	3,094,614	2,950,660	4.9
<i>Non-current financial assets</i>	<i>(141,555)</i>	<i>(131,766)</i>	<i>7.4</i>
<i>Non-current financial debt</i>	<i>3,537,097</i>	<i>3,549,612</i>	<i>(0.4)</i>
Non-current net financial debt	3,395,542	3,417,846	(0.7)
<i>Current financial assets</i>	<i>(917,077)</i>	<i>(979,612)</i>	<i>(6.4)</i>
<i>Current financial debt</i>	<i>478,419</i>	<i>467,587</i>	<i>2.3</i>
Current net financial debt	(438,658)	(512,025)	(14.3)
Net financial debt	2,956,884	2,905,821	1.8
Own funds and net financial debt	6,051,498	5,856,481	3.3

The main changes in the statement of financial position are commented on below.

Non-current assets at 31 March 2022 amounted to 7,239.8 million euro, up compared to 31 December 2021, when they were 7,020.8 million euro. The increase (+219.0 million) was mainly due to the effect of the following determinants:

- technical investments in property, plant and equipment (+140.6 million) and depreciation and amortisation (-121.2 million) in the period;
- assets acquired through the Puglia Holding transaction, referring to photovoltaic parks in some locations in Apulia, including goodwill (166.0 million);
- purchases in the period of CO2 emission rights (+30.9 million euro);
- the recognition of rights of use in application of IFRS 16 - Leases for 3.0 million, largely relating to lease and rental contracts for buildings and vehicles used for operating activities.

For more information on the segment details of investments in the period, reference should be made to the section "Segment Reporting" below.

Net Working Capital, negative, increased by 55.4 million euro, to -167.1 million euro compared to -222.5 million euro as at the end of 2021. The change is attributable to seasonal trends in trade receivables and payables, partially offset by a reduction in gas inventories in storage and estimated taxes for the period. The equity balance of net deferred tax decreased to 240.1 million euro (244.6 million as at 31 December 2021) due to the tax effect on the change in the fair value of interest rate and commodity derivatives.

Provisions for risks and employee benefits amount to 801.0 million euro and are up compared to the figure at the end of 2021 (equal to 728.9 million euro) mainly due to the recognition of obligations in the period linked to CO2 emission rights.

Equity amounted to 3,094.6 million euro, compared with 2,950.7 million at 31 December 2021 (+143.9 million). The change refers to the net result (+127.2 million), the performance of the cash flow hedge reserve linked to interest rate and commodities hedging derivatives (+16.4 million) and other changes (0.3 million).

Net financial debt stood at 2,956.9 million euro as at 31 March 2022, up slightly (+1.8%) from the 31 December 2021 figure. In this regard, the cash flow generated by operating activities helped to mitigate the effect of the outlays made for investments and M&A transactions during the period. For more details please see the analysis of the statement of cash flows presented below.

STATEMENT OF CASH FLOWS OF THE IREN GROUP

Change in net financial debt

The statement below details the movements in the Group's net financial debt that occurred in the period.

	thousands of euro		
	First 3 months 2022	First 3 months 2021 Restated	Change %
Opening Net Financial debt	(2,905,821)	(2,948,241)	(1.4)
Profit for the period	127,172	127,455	(0.2)
Non-monetary adjustments	317,272	217,924	45.6
Payments of employee benefits	(2,949)	(2,535)	16.3
Utilisations of provisions for risks and other charges	(10,962)	(5,001)	(*)
Change in other non-current assets and liabilities	7,267	(2,794)	(*)
Taxes paid	-	-	-
ETS Purchase	(30,899)	(26,697)	15.7
Cash flows for transactions on commodities derivatives markets	(45,688)	4,580	(*)
Other changes in equity	54	8	(*)
Cash flows from changes in NWC	(161,899)	(136,601)	18.5
Operating cash flow	199,368	176,339	13.1
Investments in property, plant and equipment and intangible assets	(140,614)	(122,294)	15.0
Investments in financial assets	(32)	(200)	(84.0)
Proceeds from the sale of investments and changes in assets held for sale	394	2,423	(83.7)
Changes in consolidation scope	(184,899)	(24,807)	(*)
Dividends received	-	101	(100.0)
Total cash flows from/(used in) investing activities	(325,151)	(144,777)	(*)
Free cash flow	(125,783)	31,562	(*)
Cash flows from own capital	(86)	(4,163)	(97.9)
Other changes	74,806	4,756	(*)
Change in net financial debt	(51,063)	32,155	(*)
Closing Net financial debt	(2,956,884)	(2,916,086)	1.4

(*) Change of more than 100%

The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in the Unieco Waste Management Division and I.Blu, which took place at the end of 2021. Please refer to the "Basis of preparation" section for more information.

The change in Net Financial Debt compared to 31 December 2021 of +51.1 million euro is due to the following factors:

- *operating cash flow* of +199.4 million, up 13.1% from the first quarter of 2021;
- *cash flow from investment activities* of -325.2 million, which includes in particular technical investments for the period (140.6 million, 15.0% higher than in the same period of 2021) and the consideration paid, net of cash acquired, for the acquisition of the Puglia Holding photovoltaic sector companies for a total of 184.9 million under "Change in consolidation scope" (the first quarter 2021 figure of 24.8 million was related to the acquisition of Futura in the waste management sector);

- *equity cash flow* of -0.1 million. The figure for the first quarter of 2021 (-4.2 million) referred almost entirely to the purchases of treasury shares in the period;
- the item *other changes*, amounting to +74,8 million (+4,8 million in the comparative period), relating mainly to the combined effect of the positive change in the fair value of interest rate and commodity derivative hedging instruments (more relevant in the first quarter of 2022) and of interest paid.

We note finally that the statement of cash flows prepared according to the format of a change in cash and cash equivalents is presented in the section "Consolidated Financial Statements as at 31 March 2022".

SEGMENT REPORTING

The Iren Group identifies the following business segments:

- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection, treatment and disposal)
- Energy (Hydroelectric production and other renewable sources, combined heat and power, district heating networks, thermoelectric production, energy efficiency services, public lighting, global services, heat management)
- Market (Sale of electricity, gas, heat and other customer services)
- Other services (Laboratories, Telecommunications and other minor).

These operating segments are reported on pursuant to IFRS 8, which requires the disclosure about operating segments to be based on the elements which management uses in making operational and strategic decisions.

For a proper interpretation of the income statements relating to individual operating segments presented and commented on below, revenue and expense referring to general activities were fully allocated to the segments based on actual usage of the services provided or according to technical and economic drivers. Given the fact that the Group mainly operates in one area, the following segment information does not include a breakdown by geographical area.

The main economic figures are presented below with comments by business sector compared to the figures for the first quarter of 2021.

As at 31 March 2022, non-regulated activities contributed 26% to EBITDA (33% at 31 March 2021), regulated activities accounted for 41% (down from 45% in the first quarter of 2021), and semi-regulated activities contributed 33% (up from 22% in the same quarter in 2021).

Networks SBU

As at 31 March 2022, the Networks business segment, which includes the Gas Distribution, Electricity and Integrated Water Service businesses, reported revenue of 256.8 million euro, up +2.1% compared to 251.6 million euro in the first quarter of 2021.

The gross operating margin amounted to 94.5 million euro compared to 94.2 million euro in the first quarter of 2021, while the operating result was 47.8 million euro compared to 47.7 million in the first quarter of 2021.

The trend in operating income was characterised by higher depreciation and amortisation of about 2 million euro, related to increasing investments, and lower accruals to provisions for impairment of receivables of about 2 million euro.

		First 3 months 2022	First 3 months 2021	Change %
Revenue	€/mln	256.8	251.6	2.1
Gross Operating Profit (EBITDA)	€/mln	94.5	94.2	0.3
% of Revenue		36.8%	37.5%	
	<i>from Electricity Networks</i>	€/mln 19.1	19.0	0.4
	<i>from Gas Networks</i>	€/mln 20.8	21.7	(4.8)
	<i>from Integrated Water Service</i>	€/mln 54.7	53.6	1.9
Operating profit (EBIT)	€/mln	47.8	47.7	0.2
Investments	€/mln	63.7	55.8	14.1
	<i>in Electricity Networks</i>	€/mln 12.2	9.8	24.5
	<i>in Gas Networks</i>	€/mln 8.2	9.6	(14.6)
	<i>in Integrated Water Service</i>	€/mln 41.8	35.3	18.3
	<i>Others</i>	€/mln 1.5	1.1	35.2
Electricity distributed	GWh	934.7	917.5	1.9
Gas distributed	Mm3	533.4	570.4	(6.5)
Water sold	Mm3	42.3	43.5	(2.8)

Networks SBU - Electricity

The Gross operating margin amounted to 19.1 million euro, substantially in line compared to 19 million euro in the first quarter of 2021. The marginality remains constant, despite a reduction in the return on capital employed (WACC) provided for by ARERA tariff measures, thanks to an increase in investments made in the past years, which leads to an increase in the RAB.

Investments amounted to 12.2 million euro, up +24.5% from 9.8 million euro in the first quarter of 2021, relating mainly to connections, distribution network resilience activities, the construction of new stations and LV/MV lines in addition to the launch of the replacement plan for electronic meters with 2G technology.

Networks SBU - Gas Distribution

The gross operating margin amounted to 20.8 million euro, a decrease of -4.8% compared to 21.7 million euro in the first quarter of 2021. The decrease in the margin can be attributed in part to a contraction in the revenue constraint resulting from a reduction in the rate of return on capital employed (WACC) provided for by ARERA tariff measures, higher operating costs including mainly the higher cost of gas used in the decompression stations, and the effect of some extraordinary items referable to previous years. These negative effects were partially offset by higher revenues related to energy efficiency certificates (EECs).

Investments amounted to 8.2 million euro, down -14.6% due to seasonal programming compared with 9.6 million euro in the first quarter of 2021, and involved upgrading the network to cathodic protection and installing electronic meters.

Networks SBU - Water Cycle

The gross operating margin amounted to 54.7 million euro, up +1.9% compared to 53.6 million euro in the first quarter of 2021. The improvement in the margin is mainly attributable to the increase in the tariff revenue constraint (VRG) due to the increase in tariff invested capital (RAB) against a reduction in the remuneration of invested capital (WACC) provided for by ARERA tariff measures; this increase absorbed the inapplicability of extraordinary items related to insurance claims present in the previous year.

Investments amounted to 41.8 million euro compared to 35.3 million euro in the first quarter of 2021. These activities relate to the construction, development and extraordinary maintenance of distribution networks and plants and of the sewerage network, as well as the installation of measuring units mainly with new technology involving remote reading.

In addition, investments of 1.5 million euro were made in information systems and the development of electric mobility across the three businesses.

Waste Management SBU

As at 31 March 2022, the segment's revenues amounted to 244.4 million euro, up by +12.6% compared to 217.2 million euro in 2021. The increase is due to energy revenues (+15 million euro) as a result of the rise in electricity prices, revenues from the collection and sale of recovered materials (+7 million euro) and revenues from disposal, whilst special waste brokerage and management activities registered a decrease (-6 million euro).

		First 3 Months 2022	First 3 months 2021 Restated	Change %
Revenue	€/mln	244.4	217.2	12.6
Gross Operating Profit (EBITDA)	€/mln	65.0	51.5	26.3
<i>% of Revenue</i>		26.6%	23.7%	
Operating profit (EBIT)	€/mln	36.6	24.7	48.1
Investments	€/mln	22.7	21.5	5.6
Electricity sold	GWh	111.9	123.4	(9.3)
Thermal energy produced	GWht	167.3	120.1	39.3
Waste managed	tonnes	791,450	842,165	(6.0)
Emilia area sorted waste collection	%	77.9	77.6	0.4
Piedmont area sorted waste collection	%	56.9	56.4	0.9
Liguria area sorted waste collection	%	74.4	74.1	0.4

The gross operating margin amounted to 65 million euro, an increase of +26.3% compared to 51.5 million euro in the first quarter of 2021. The increase in the margin is due to the strong improvement in energy margins following the increase in the sale price of electricity and thermal energy, the collection and sale of recovered materials and the treatment and valorisation of organic waste mainly due to the entry into operation of the new biodigester in Cairo Montenotte (SV).

The operating result amounted to 36.6 million euro, up +48.1% compared to 24.7 million euro in the first quarter of 2021. During the period, higher depreciation and amortisation of approximately 2 million euro were partially offset by a reduction in provisions for impairment of receivables and provisions for risks.

Investments amounted to 22.7 million euro, up +5.6% compared to 21.5 million euro in the first quarter of 2021. Investments related to the purchase of collection vehicles and equipment and the construction of plants; in particular, the latter include the wood treatment plant in Vercelli and the FORSU plant in Reggio Emilia.

Energy SBU

As at 31 March 2022, the revenues of the Energy SBU, which includes the production of electricity and heat, management of district heating, public lighting and energy efficiency, amounted to 1,295.4 million euro, a significant increase compared to 396.7 million euro in the first quarter of 2021.

The increase in revenues is primarily due to the higher sales prices for electricity (around 700 million euro). Revenues from heat production are also up, for over 120 million euro, mainly as a result of higher sales prices, as well as revenues from activities connected with energy requalification and building restructuring favoured by recent tax breaks and other activities (+58 million euro approximately).

Contributing to the increase in revenues was the consolidation of the photovoltaic parks (121.5 MW of installed capacity) of the companies of Puglia Holding.

		First 3 months 2022	First 3 months 2021	Change %
Revenue	€/mln	1,295.4	396.7	(*)
Gross Operating Profit (EBITDA)	€/mln	165.0	92.6	78.1
<i>% of Revenue</i>		12.7%	23.4%	
Operating profit (EBIT)	€/mln	127.7	57.9	(*)
Investments	€/mln	16.0	20.3	(21.1)
Electricity produced	GWh	2,958.7	2,815.9	5.1
<i>from hydroelectric and other renewable sources</i>	GWh	154.3	391.3	(60.6)
<i>from cogeneration sources</i>	GWh	2,093.9	1,944.1	7.7
<i>from thermoelectric sources</i>	GWh	710.5	480.5	47.9
Heat produced	GWht	1,355.2	1,356.0	(0.1)
<i>from cogeneration sources</i>	GWht	1,219.5	1,156.8	5.4
<i>from non-cogeneration sources</i>	GWht	135.7	199.2	(31.9)
District heating volumes	Mm3	98.9	96.6	2.4

At 31 March 2022, electricity generated totalled 2,958.7 GWh, up +5.1% from 2,815.9 GWh in the first quarter of 2021.

Total thermoelectric production amounted to 2,804.4 GWh, of which 2,093.9 GWh from cogeneration sources, up by +7.7% compared with 1,944.1 GWh in the first quarter of 2021, and 710.5 GWh from conventional thermoelectric sources, up by +47.9% compared with 480.5 GWh in the first quarter of 2021. Production from renewable sources amounted to 154.3 GWh, down -60.6% from 391.3 GWh in the first quarter of 2021. The decrease can be attributed to hydroelectric production, which amounted to 116.2 GWh compared to 387.4 GWh (-70%) in 2021 due to low hydraulicity during the period. On the other hand, photovoltaic production of 38 GWh (3.9 GWh in the first quarter of 2021) appears to be on the rise, thanks to the productions of the photovoltaic plants of Puglia Holding companies.

The gross operating margin amounted to 165 million euro, up +78.1% compared to 92.6 million euro in the first quarter of 2021.

Domestic electricity demand was 78.4 TWh, broadly in line with 78.3 TWh in the first quarter of 2021. The trend in the energy scenario was characterised by a sharp increase in electricity prices and in the price of gas used as a raw material in Generation activities. These dynamics led to an increase in generation margins from which the Electricity and Heat Cogeneration and Thermoelectric sectors benefited.

On the other hand, there was a deterioration in the margin of Hydroelectric production, which, despite an increase in sales prices, suffered a sharp reduction in the quantities produced due to the low level of the reservoirs at the end of 2021 and the continuing lack of hydraulicity, also leading to a reduction in the number of green certificates earned. These effects are partly mitigated by the improvement in the Photovoltaic business thanks to the inclusion in the consolidation scope of Puglia Holding's plants, which contribute 6 million euro to EBITDA for the period.

The positive effects on EBITDA linked to the recognition of the Capacity Market that the Group was awarded through the competitive tenders managed by Terna should also be noted. It should be noted that from the beginning of the year the recognition of energy efficiency certificates for the cogeneration plant in Torino Nord ceased, contributing approximately 10 million euro to EBITDA in the first quarter of 2021.

Energy Efficiency-related activities show an improvement of 7 million euro compared to the corresponding period of 2021.

The operating result amounted to 127.7 million euro, up +120.6% compared to 57.9 million euro in the first quarter of 2021. During the period, there was increased depreciation and amortisation of 2 million euro.

Investments amounted to 16 million euro, down -21.1% compared to 20.3 million euro in the first quarter of 2021. The main investments in the period included the repowering of the Turbigio thermoelectric power plant and the development of district heating networks.

Market SBU

As at 31 March 2022, the segment's revenue amounted to 1,941.0 million euro, up +169.4% from 720.9 million euro in the first quarter of 2021. The increase in turnover is primarily due to the sharp rise in the prices of both gas and electricity and, consequently, to the greater quantities of electricity and gas sold related to the development of the customer base.

The gross operating margin amounted to 38.1 million euro, down -48.1% on the 73.5 million euro of the first quarter of 2021, which was characterised by extraordinarily positive margins that cannot be replicated in subsequent periods. The sharp decline in margins is primarily due to electricity sales, which registered a negative gross margin of 14.8 million euro, whilst gas sales, although down considerably, were less affected by the unfavourable energy scenario.

The other services sector made a positive contribution to EBITDA, thanks to significant development of the services and accessory products marketed (e-mobility, boilers, energy system maintenance, etc.).

The operating result amounted to 13.7 million euro, down -74.3% compared to 53.3 million euro in the first quarter of 2021. During the period, higher depreciation and amortisation of approximately 2 million euro and lower provisions for the impairment of receivables of approximately 1 million euro were recorded.

		First 3 months 2022	First 3 months 2021	Change %
Revenue	€/mln	1,941.0	720.9	(*)
Gross Operating Profit (EBITDA)	€/mln	38.1	73.5	(48.1)
% of Revenue		2.0%	10.2%	
	<i>from Electricity</i>	€/mln	12.8	(*)
	<i>from Gas</i>	€/mln	58.8	(17.5)
	<i>from Heat and other services</i>	€/mln	1.9	(*)
Operating profit (EBIT)	€/mln	13.7	53.3	(74.3)
Investments		22.6	15.7	44.0
Electricity Sold	GWh	2,656.3	1,884.4	41.0
Gas Purchased	Mm3	1,069.9	1,001.0	6.9
	<i>Gas sold by the Group</i>	Mm3	469.7	1.3
	<i>Gas for internal use</i>	Mm3	531.3	11.9

Sale of electricity

The volumes of electricity sold on the free market amounted to 2,582.1 GWh, an increase of +45.3% compared to 1,776.9 GWh in the first quarter of 2021.

The increase in the deregulated market regarded the wholesale segment, with sales of 1,252 GWh (up +130.5%), and the small business segment with sales of 284 GWh (+108.5%) and the retail segment, with sales of 461.9 GWh (up +21.6%), partly due to the higher quantities sold in the residential gradual protection auctions. On the other hand, sales were down in the Business segment (-18.6%) with sales of 584.2 GWh. Sales in the protected market amounted to 74.2 GWh, down -31% compared with 107.6 GWh in the first quarter of 2021.

Gross operating margin from electricity sales was negative and amounted to -14.8 million euro, compared to +12.8 million euro in the first quarter of 2021, a trend to be evaluated, in a logic of an integrated Group supply chain, together with the positive performance of electricity generation. The sharp contraction, in fact, can be attributed to the scenario effect on sales not covered directly by the business unit but in "natural hedging" with the Energy business unit, an effect partially offset by the commercial policy adopted and the re-contracting of some relationships.

The table below shows the quantities sold by class of customer sector:

	First 3 months 2022	First 3 months 2021	Change %
<i>Business</i>	584.2	717.2	(18.6)
<i>Small business</i>	284.0	136.2	(*)
<i>Retail</i>	461.9	379.8	21.6
<i>Wholesalers</i>	1,252.0	543.7	(*)
Free market	2,582.1	1,776.9	45.3
Protected market	74.2	107.6	(31.0)
Total Electricity sold	2,656.3	1,884.4	41.0

Sale of Natural Gas

Purchased volumes amounted to 1,069.9 million m3, up +6.9% compared with 1,001.0 million m3 in the first quarter of 2021.

Gas sold by the Group amounted to 475.6 million m3, up by +1.3% compared to 469.7 million m3 in the first quarter of 2021.

The gas used for internal consumption within the Group amounted to 594.3 million m3, an increase of +11.9 compared to 531.3 million m3 in the first quarter of 2021.

The gross operating margin from the sale of gas amounted to 48.5 million euro, down -17.5% compared to 58.8 million euro in the first quarter of 2021.

The decline in the margin can be attributed to the energy scenario and higher imbalance costs due to the non-normal weather pattern in March 2022, which featured several peaks with very low temperatures that could not be predicted.

Sale of heat and other services

The sale of heat and other services shows a gross operating margin of 4.4 million euro, a strong improvement compared to the 1.9 million euro in the first quarter of 2021. The positive change is primarily attributable to the commercial activities of Iren Plus and Iren GO, the two business lines marketing goods and services ancillary to the supply of commodities and electric mobility.

Investments of the Market SBU amounted to 22.6 million euro, up +44% from the 15.7 million euro in the first quarter of 2021.

Other services

As at 31 March 2022, revenue of the segment, which includes the activities of the analysis laboratories, telecommunications and other minor activities, was 6.4 million euro, up by +14.6% compared to the 5.6 million euro in the first quarter of 2021.

		First 3 months 2022	First 3 months 2021	Change %
Revenue	€/mln	6.4	5.6	14.6
Gross Operating Profit (EBITDA)	€/mln	0.4	0.6	(29.4)
% of Revenue		7.0%	11.4%	
Operating profit (EBIT)	€/mln	0.0	0.1	(*)
Investments	€/mln	14.3	8.9	60.6

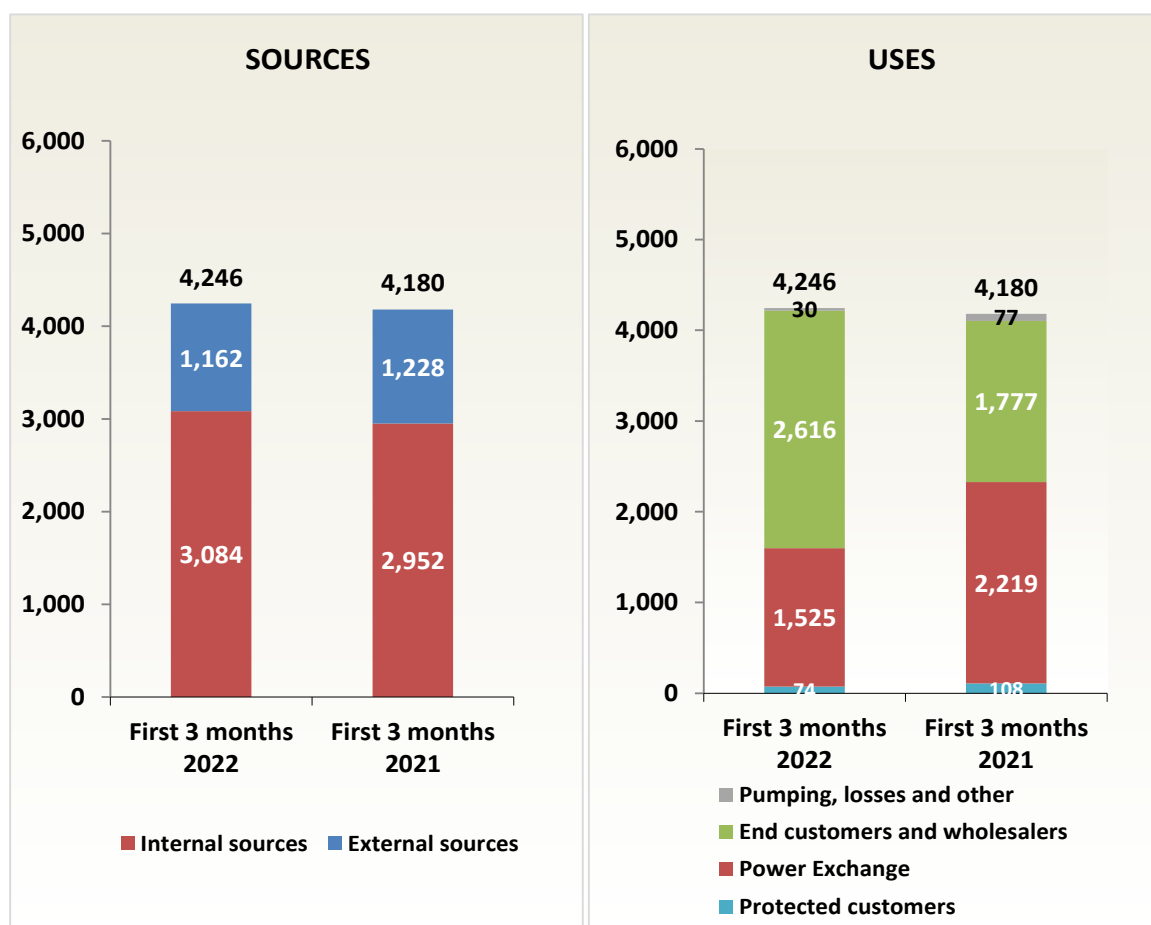
The gross operating margin amounted to 0.4 million euro compared to 0.6 million euro in 2021.

Investments in the period amounted to 14.3 million euro, up compared to 8.9 million euro in the first quarter of 2021 and mainly related to information systems, vehicles and buildings.

ENERGY BALANCES

Electricity balance

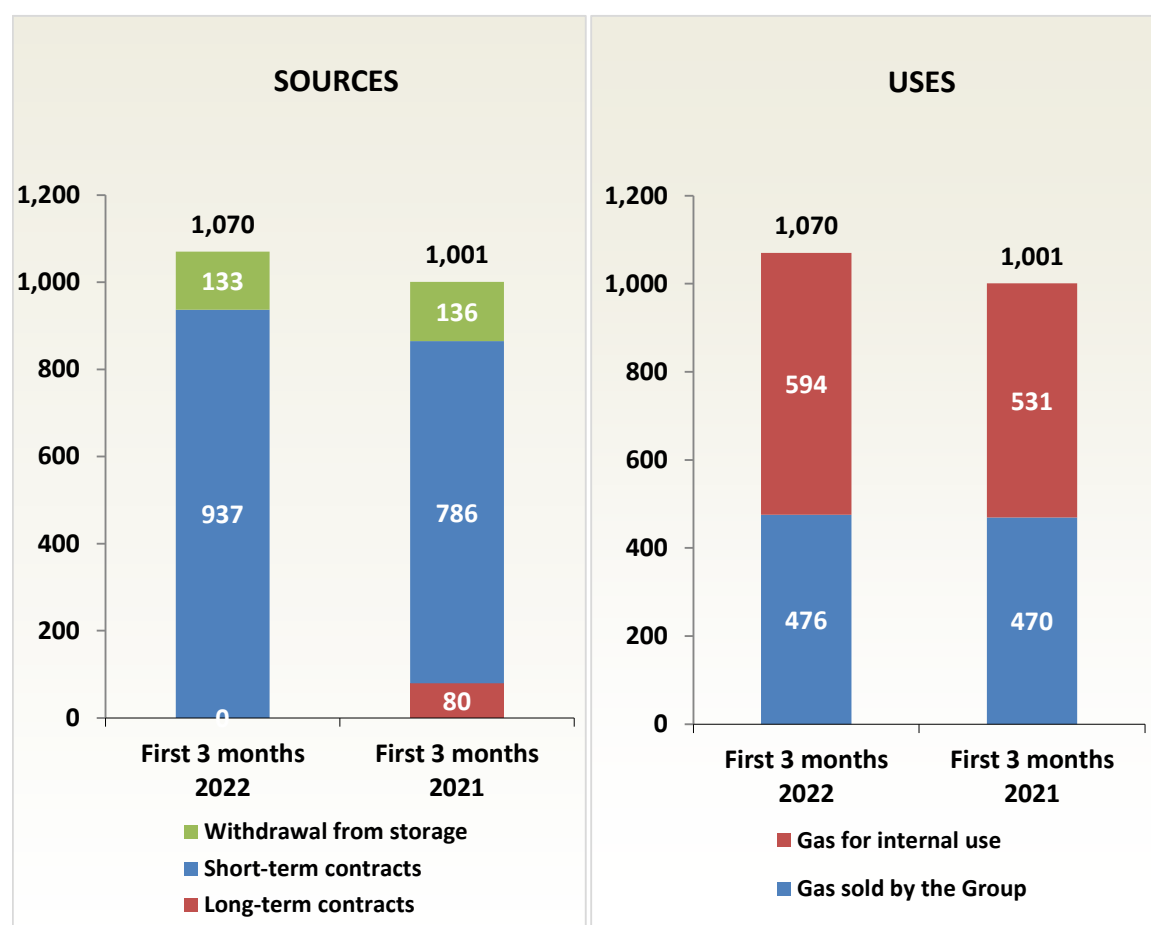
GWh	First 3 months 2022	First 3 months 2021	Change %
SOURCES			
Group's gross production	3,084.0	2,952.3	4.5
<i>a) Hydroelectric and other renewables</i>	154.3	391.3	(60.6)
<i>b) Cogeneration</i>	2,093.9	1,944.1	7.7
<i>c) Thermoelectric</i>	710.5	480.5	47.9
<i>d) Production from WTE plants and landfills</i>	125.3	136.3	(8.1)
Purchases from the Single Buyer (Acquirente Unico)	81.8	118.5	(31.0)
Energy purchased on the Power exchange	1,014.5	996.7	1.8
Energy purchased from wholesalers and imports	65.2	113.0	(42.3)
Total Sources	4,245.5	4,180.4	1.6
USES			
Sales to protected customers	74.2	107.6	(31.0)
Sales to end customers and wholesalers	2,615.7	1,776.9	47.2
Sales on the Power exchange	1,525.4	2,218.6	(31.2)
Pumping, distribution leaks and other	30.2	77.3	(60.9)
Total Uses	4,245.5	4,180.4	1.6



Gas balance

Millions of m ³	First 3 months 2022	First 3 months 2021	Change %
SOURCES			
Long-term contracts	0.0	79.6	(100.0)
Short- and medium-term contracts	936.9	785.7	19.3
Withdrawals from storage	133.0	135.7	(2.0)
Total Sources	1,069.9	1,001.0	6.9
USES			
Gas sold by the Group	475.6	469.7	1.3
Gas for internal use (1)	594.3	531.3	11.9
Total Uses	1,069.9	1,001.0	6.9

(1) Internal use concerns thermoelectric plants and use for heat services and internal consumption



FINANCIAL MANAGEMENT

General framework

During the first quarter of 2022, the short-term part of the rate curve, after a long period of stability at minimum levels, has increased, most noticeably and continuously since March. The medium/long-term part of the rates, to an even greater extent, also shows a decidedly upward trend.

The European Central Bank has kept rates unchanged since March 2016, with the reference rate at 0%. An examination of the six-month Euribor rate shows that the parameter is still in negative territory, at a level of -0.24%.

The quotations of fixed rates, reflected in the values of the IRS, following the significant upward trends returned to above 1% for all medium and long-term maturities, reaching levels not recorded for at least 8 years.

Activities performed

During the first quarter of 2022, work continued to consolidate the Iren Group's financial structure. Changes in financial requirements are monitored through careful planning, which makes it possible to forecast the need for new resources, taking into account the repayments of outstanding loans, changes in debt, investments, the trend in working capital and the balance of short-term and long-term sources.

The organisational model adopted by the Iren Group, with the goal of financial optimisation of the companies, entails centralising with the parent treasury management, non-current loans and financial risk monitoring and management. Iren has relationships with leading Italian and international banks, for the purpose of procuring the types of loans best suited to its needs and at the best market conditions.

With reference to transactions completed in the first quarter of 2022, it should be noted that, as described in "Significant events of the period", in March, a loan agreement was signed with CEB (Council of Europe Development Bank) for 80 million euro to support the investment plan for the development and efficiency of the district heating network in the Turin area.

Direct loans with EIB and CEB, with a duration of up to 16 years, not used and available, amount to a total of 375 million euro.

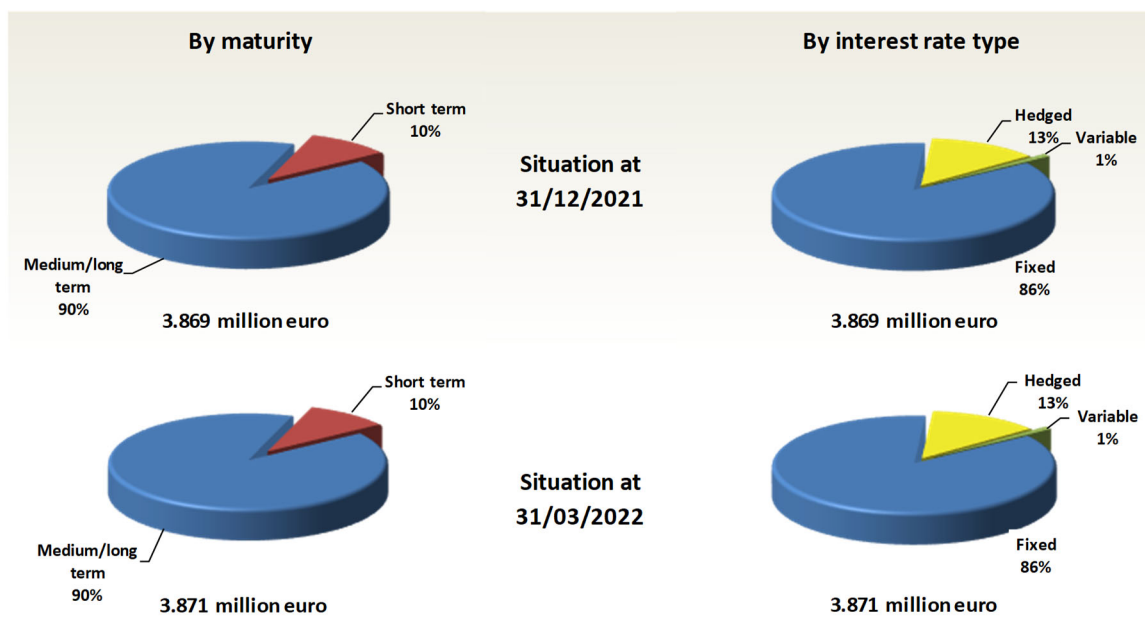
Financial debt from loans, which does not include lease liabilities recognised in accordance with IFRS 16, consisted of 14% loans and 86% bonds at the end of the period.

As regards financial risks, the Iren Group is exposed to various types of risk, including liquidity risk, interest rate risk, and currency risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit risks of fluctuations in the interest rate. In the period, a new Interest Rate Swap contract was signed hedging 50 million of debt, with maturity 2029 and deferred effects starting from December 2023.

At the end of the period, the portion of floating rate debt not hedged by derivatives was equal to 1% of financial debt from loans, in line with the Iren Group's objective of maintaining adequate protection from significant increases in interest rates.

Overall, the activity carried out is aimed at refinancing debt with a view to improving the financial structure, structurally reducing the cost of capital and extending the average duration of financial debt.

The composition of financial debt from loans by maturity and rate type, compared with the situation at 31 December 2021, is shown in the chart below.



Rating

On 09 December 2021, the Standard & Poor's rating agency assigned, for the first time to the Iren Group, its long-term credit rating at the "BBB-" level with a "Positive" outlook. The same rating is also given to senior unsecured debt.

The "Investment Grade" rating from a second agency, after Fitch, expresses the Group's solid positioning in Italy, with a wide diversification of activities especially in regulated sectors and a significant territorial presence. Capital expenditures under the new Business Plan, primarily targeting organic growth and energy transition, combined with an expected continued improvement in credit metrics, support the "positive" outlook. From a financial point of view, the rating level assigned also expresses the Group's good liquidity profile.

Also in this context, on 22 December, the agency Fitch confirmed its "BBB" rating for Iren with a "Stable" outlook. This assessment is also based primarily on an analysis of the Business Plan to 2030, with particular reference to the investments planned in relation to the financial structure. The maintenance of a business portfolio consisting mainly of regulated and semi-regulated activities, the creation of value and the stability guaranteed by the integration of the various businesses are elements considered positive by the rating agency, together with the Group's liquidity profile.

To support the liquidity profile of the Group and the rating level, Iren has the aforementioned medium/long-term credit lines subscribed and available but not used for 375 million euro, which are added to current liquid assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD AND OUTLOOK

Acquisition of concessions in the field of gas distribution

Following the award of the tender in December 2021, on 1 April 2022, the consortium formed by Ascopiave (58%), ACEA (28%), and Iren (14%) finalised the closing of the agreement with the A2A Group for the acquisition of assets in the natural gas distribution service.

The overall scope of activities covered by the transaction includes 157 thousand Redelivery Points (PDR), distributed in 8 regions and forming part of 24 Ambiti Territoriali Minimi (ATEM, Minimum Territorial Areas), for over 2,800 km of network. The economic value of the acquisition in terms of Enterprise Value is 125.4 million euro.

Among the assets in question, the Iren perimeter of interest consists of concessions in 4 ATEMs, 1 of which in Lombardy and 3 in Emilia Romagna, for a total of approximately 12,000 PDR. The Enterprise Value is 16.4 million euro.

Acquisition of Alegas

Following the preliminary agreement signed 29 December, on 21 April 2022, Iren Mercato signed for the acquisition of 80% of Alegas S.r.l. from AMAG S.p.A., a multi-utility based in Alessandria.

Alegas operates in the sale of gas and electricity and has a portfolio of 43 thousand customers, mostly retail, of which 36 thousand gas and 7 thousand electricity customers, almost entirely distributed in the Province of Alessandria.

The price for the acquisition was 16.7 million euro.

The acquisition will enable the Iren Group to increase its customer portfolio by strengthening its presence in Piedmont, with the aim of implementing new commercial campaigns that will promote the sale of products and services related to consumption reduction in buildings and electric mobility.

Underwriting a Sustainability Linked loan

On 21 April 2022, Iren S.p.A. signed a term loan with Intesa San Paolo in the amount of 150 million euro, with 6-year repayment in one lump sum (bullet).

The amount of the spread of the new credit line is linked to the achievement of specific goals outlined in the recently published Sustainable Financing Framework: the reduction of the carbon intensity of the Group's operations and water losses to pre-determined levels. In this regard, these goals are expected to be achieved through the set of investments envisaged throughout the plan.

The described operation aims to combine sustainability and development through the premium/penalty mechanism linked to the achievement of set targets and testifies to the Group's role of growth in sustainable finance by improving its liquidity profile.

Acquisition of Società dell'Acqua Potabile (SAP)

On 29 April 2022, Iren signed a contract with Siram S.p.A., a company of the French Veolia group, to acquire 100% of Società dell'Acqua Potabile S.r.l. ("SAP"). SAP manages water service in the Genoa Metropolitan City municipalities of Sestri Levante, Casarza Ligure, and Ne, with expirations of the relevant agreements between 2023 and 2027, in addition to Carasco and Moneglia, whose agreements are currently being extended.

With reference to these areas, the company serves a total of about 34 thousand inhabitants for the waterworks service and about 11 thousand inhabitants for sewerage and purification services. The company also holds 49% of Egua S.r.l., which manages the water service in the municipality of Cogorno, whose concession expires in 2029.

The Enterprise Value of the transaction is 10 million euro. It should be noted that the closing of the transaction by IRETI, subject to the condition precedent related to the so-called "Golden Power" verification by the Italian government, is expected to be completed by the end of May.

The transaction effectively anticipates the Ireti takeover of the management of concessions intended for it as the sole operator of the area of reference, making it possible to initiate in advance actions aimed at achieving significant synergies with other operations already exercised in neighboring territories.

OUTLOOK

The next few months will be characterised by an acceleration of investments, expected to grow strongly (+50%) compared to 2021, taking advantage of several development opportunities that make it possible to anticipate part of what was foreseen in the Business Plan. The latter rests its rationale on three strategic pillars that guide investment choices: ecological transition, territoriality and quality of service. The goals of the green transition are to progressively decarbonise all activities and strengthen leadership in the circular economy. With territoriality, Iren wants to extend its perimeter of activity in the reference territories and be the reference partner for local stakeholders. Finally, with service quality, Iren aims to improve the performance of network services and maximise customer satisfaction in all businesses.

In 2022, the Networks segment is characterised by a reduction in the rate of return on invested capital (WACC) with a consequent reduction in tariff revenues offset by the increase related to the acceleration of investments made in recent years, which is positively reflected in the remunerated invested capital (RAB). In particular, investments in the integrated water system encourage increased purification capacity, reuse of resources and reduction of water losses through increased efficiency. In the electricity and gas distribution network, the objective is to increase the power supported by the former and make the latter suitable for the distribution of hydrogen mixtures, while keeping in mind the continuous improvement of service quality.

With regard to the Waste Management segment, current investments are aimed at building the waste treatment and disposal plants envisaged in the business plan and at increasing the quality of the service by extending door-to-door collection and punctual pricing. These investments, together with the complete coverage of the waste cycle (from collection to treatment and disposal), will make it possible to increase the volumes of recovered material.

Regarding the Energy and Market segments, Iren will continue to implement a series of actions aimed at mitigating the impact of volatility in electricity and gas prices thanks to a hedging policy oriented to stabilising margins in the entire energy supply chain. The development of the generation park will benefit from the commissioning of the new production line of the Turbigio thermoelectric plant, the consolidation of the recently acquired photovoltaic plants and the organic development of new renewable capacity, accompanied by the growth of our customer base.

Finally, the Smart Solutions segment, focused on the energy efficiency of buildings, will be able to seize the opportunities offered by government incentives related to building requalification, to the development of electric mobility and will be able to act as the main interlocutor for public administrations to ground complex urban requalification projects.

In relation to the international geopolitical crisis arising from the Russia-Ukraine conflict, it is currently difficult as well as uncertain to assess the effects and repercussions that could arise from the continuation of the international crisis. In such a scenario, there are two main risks to be borne in mind: the volatility of commodity prices and the concomitant inflationary effect. Iren monitors the evolution of the situation on a daily basis, defining the possible risk scenarios for its activities and identifying, where possible, mitigation actions.

In addition, in order to contain the impact resulting from the increase in commodity prices, whose upward trend began in the fourth quarter of 2021, the government has already approved measures aimed at calming the imbalance between the production and sales prices of electricity and gas; these measures, according to initial estimates, will have an insignificant impact on the Group's profitability.

Consolidated Financial Statements

at 31 March 2022

BASIS OF PREPARATION

CONTENT AND STRUCTURE

These Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, as well as with the provisions set forth in implementation of art. 9 of Italian Legislative Decree no. 38/2005. IFRS refers to all the revised international accounting standards (IAS/IFRS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the Standing Interpretations Committee (SIC).

In the preparation of the Consolidated Financial Statements, the same accounting policies were applied as in the preparation of the Financial Statements for the previous year, to which reference is made for review.

The Consolidated Financial Statements are drawn up on the basis of the historical cost principle, with the exception of certain financial instruments measured at fair value and potential fees deriving from a business combination (i.e. put options to minority shareholders), which are measured at fair value, as well as on the going concern assumption. The Group did not detect any particular risks connected with the Company's business and/or any uncertainties that might cast doubt on its ability to continue as a going concern.

These Statements are stated in euro, the company's functional currency. All amounts expressed in euro are rounded to the nearest thousand.

FINANCIAL STATEMENT FORMATS

The financial statement formats adopted by the Iren Group in preparing these financial statements are the same as those applied in preparing the financial statements at 31 December 2021.

In line with what was previously published, in the statement of financial position, assets and liabilities are classified as "current/non-current". Assets and liabilities classified as discontinued or held for sale are shown separately. Current assets, which include cash and cash equivalents, are those that will be realised, transferred or consumed during the Group's ordinary operating cycle or during the twelve months following year end. Current liabilities are those for which settlement is envisaged during the Group's ordinary operating cycle or during the twelve months following year end.

The Income Statement is classified on the basis of the nature of the costs. In addition to the Operating Profit (EBIT), the Income Statement also shows the total intermediate of Gross Operating Profit (EBITDA) obtained by deducting total operating expense from total revenue.

The indirect method is used in the Statement of Cash Flows. The cash configuration analysed in the Statement of Cash Flows includes cash on hand and cash in current accounts.

It should also be remembered that these statements are not subject to independent auditing.

USE OF ESTIMATES AND ASSUMPTIONS BY MANAGEMENT

Preparation of the Consolidated Financial Statements entails making estimates, opinions and assumptions that have an effect on the amounts of revenues, costs, assets and liabilities, including contingent liabilities, and on the information provided. These estimates and assumptions are based on past experience and other factors considered reasonable in the case in question, particularly when the value of assets and liabilities is not readily apparent from comparable sources.

The estimates and assumptions are regularly revised. Any changes deriving from the revision of accounting estimates are recognised in the period in which they are revised, if the revision refers only to the period under evaluation. Should the revision involve both current and future periods, the variation is recognised in both the year in which the revision occurs and in the related future periods.

The criticality inherent in these valuations refers to the use of assumptions and judgements relating to issues that are by their very nature uncertain, and is amplified by the peculiarity and variety of the

businesses in which the Group operates. In addition, any changes in the conditions underlying the assumptions and judgements could have a significant impact on the results of subsequent years.

Lastly, it should be noted that certain complex valuation processes, such as the determination of any impairment losses on non-current assets, are generally carried out in full only at the time of preparing the annual financial statements, when all the information that may be needed is available, except in cases when there is evidence of impairment that requires an immediate measurement of any losses. In the same way, the actuarial valuations necessary to determine provisions for employee benefit are normally carried out on the occasion of preparing the annual financial statements.

SEASONALITY

It should be noted that the Iren Group's results for the period reflect the seasonal nature of the sectors in which it operates. Specifically, sales of natural gas, electric power generated by hydroelectric power plants and the production and sale of heat are affected by weather conditions and, consequently, cannot be extrapolated for the entire year.

The sale of electricity and the waste cycle show more consistent results for the year, albeit with a trend linked to the temporary situation.

On the other hand, linear results are typical of regulated network businesses (gas distribution, electricity distribution and Integrated Water Service).

RESTATEMENT OF AMOUNTS

Restatement of amounts at 31 March 2021

In 2020, the Group finalised the acquisition of control:

- of I.Blu, which operates in the sorting, treatment and sending to recovery and recycling of plastics, in August;
- of the Unieco Waste Management Division, active in the waste cycle, in November.

For these acquisitions, the final fair value of the identifiable assets acquired and liabilities assumed was determined at the end of 2021, reflecting the best knowledge gained in the meantime: in the Consolidated Financial Statements as at 31 March 2021, it had therefore been recorded provisionally, as permitted by IFRS 3. In accordance with the provisions of the standard, the fair value was updated effective from the respective acquisition dates, restating the relevant opening balance sheets.

Consequently, the resulting balances in the consolidated financial statements as at 31 March 2021 have been restated to reflect the new amounts. In this regard, the following are the changes that occurred with reference to the income statement balances and cash flow representation for the first quarter of 2021.

	IFRS 3 accounting effect			thousands of euro
	First 3 months 2021 Published	Unieco Waste Management Division	I. Blu	First 3 months 2021 Restated
Revenue from goods and services	1,095,400	(611)		1,094,789
Total revenue	1,140,064	(611)	-	1,139,453
Services and leased assets	(351,169)	29		(351,140)
Total operating expenses	(827,187)	29	-	(827,158)
GROSS OPERATING PROFIT (EBITDA)	312,877	(582)	-	312,295
Depreciation and amortisation	(112,112)	340	(179)	(111,951)
Total depreciation, amortisation, provisions and impairment losses	(128,715)	340	(179)	(128,554)
OPERATING PROFIT (EBIT)	184,162	(242)	(179)	183,741
Profit before tax	179,929	(242)	(179)	179,508
Income tax expense	(52,172)	69	50	(52,053)
Profit (loss) for the period	127,757	(173)	(129)	127,455
attributable to:				
- the owners of the parent	120,686	(152)	(103)	120,431
- non-controlling interests	7,071	(21)	(26)	7,024

	IFRS 3 accounting effect			thousands of euro
	31.03.2021 Published	Unieco Waste Management Division	I. Blu	31.03.2021 Restated
Profit for the period	127,757	(173)	(129)	127,455
Adjustments:				
Income tax expense for the period	52,172	(69)	(50)	52,053
Amortisation of intangible assets and depreciation of property, plant and equipment	112,112	(340)	179	111,951
Net cash and cash equivalents generated by operating activities	176,921	(582)	-	176,339
Change in financial payables for leasing	(2,508)	(29)		(2,537)
Change in financial receivables	(30,397)	611		(29,786)
Net cash and cash equivalents generated by financing activities	(60,723)	582	-	(60,141)
Cash flows for the period	(1,193)	-	-	(1,193)

BASIS OF CONSOLIDATION

The consolidation scope includes subsidiaries, joint ventures and associates.

Subsidiaries

Entities controlled by the Group are considered subsidiaries, as defined by IFRS 10 – *Consolidated Financial Statements*. Control exists when the Parent Company has at the same time:

- decision-making power over the investee, i.e. the power to direct the relevant activities of the investee, therefore the activities that bear a significant influence on the results of said investee;
- the right to variable (positive or negative) returns from its equity in the entity;
- the ability to use its decision-making power to determine the amount of the returns deriving from its equity in the entity.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Equity and portion of profit/loss attributable to non-controlling interests are identified separately in the consolidated statement of financial position and income statement.

Subsidiaries are consolidated on a line-by-line basis intra-group balances, transactions, unrealised income and expenses are eliminated in full.

Furthermore: a) all changes in the equity interest that do not constitute a loss of control are treated as equity transactions and, therefore, feature a corresponding asset item under net equity; b) when a parent company transfers control to one of its investees, but still continues to hold an interest in the company, it measures the equity investment retained in the financial statements at fair value and recognises any gains or losses deriving from loss of control in the income statement.

Joint ventures

These are companies over whose activity the Group has joint control, in virtue of contractual agreements. Joint control, as defined by IFRS 11 – *Joint Arrangements*, is the “contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control”.

With reference to entities jointly owned by mixed public and private companies, given the objective possibility for the public shareholder to influence the company not only by means of governance agreements, but also because of its nature as public entity, the existence of joint control is ascertained on the basis of contractual agreements, assessing the actual possibility for the private partner to jointly control strategic decisions regarding the joint venture.

Joint arrangements are divided into 2 types:

- a Joint Venture (JV) is an arrangement whereby the parties have rights to the net assets of the arrangement. Joint Ventures are measured using the equity method;
- a Joint Operation (JO) is an arrangement whereby the parties are not limited exclusively to participating in the company's net profit or loss, but have rights to its assets and obligations for its liabilities. In this case the assets/revenue on which the joint operator exercises such rights and the liabilities/costs of which the joint operator assumes the obligations are fully consolidated.

Associates (accounted for using the equity method)

An associate is a company over which the Group has significant influence, but not control or joint control over its financial and operating policies. The consolidated financial statements include the Group's share of the associates' profit or loss recognised using the equity method from the date that significant influence commences until the date that significant influence ceases.

Equity investments valued at equity are accounted for an amount equal to the corresponding fraction of equity resulting from the latest available financial statements, adjusted to take into account the differences between the price paid and equity at the date of purchase and for any intra-group transactions, if significant. The investor's share of profit or loss arising from application of the equity method is recognised as a “Share of profit or loss of equity-accounted associates and joint ventures”, while the share of other comprehensive income is recognised in the statement of comprehensive income.

The difference between the purchase cost and the value, pertaining to owners of the Parent, of the identifiable current and contingent assets and liabilities of the associate or joint venture at the acquisition date, is recognised as goodwill, included in the carrying amount of the investment, and tested for

impairment using the same procedures described in the section above.

The risk deriving from losses which exceed the investor's share of equity is provided for in provisions for risks to the extent that the company has a legal or constructive obligation with the investee or is committed to covering its losses.

Dividends on equity investments are recognised when the right to receive payment is established. This usually coincides with the resolution passed by the Shareholders' Meeting.

Business combinations

The Group accounts for business combinations by applying the acquisition method when the set of assets and property acquired meets the definition of a business and the Group obtains control. In determining whether a particular set of activities and assets constitutes a business, the Group assesses whether that set includes, at a minimum, a substantial input and process and whether it has the capacity to create output.

The Group has the option to carry out a 'concentration test', which enables it to ascertain through a simplified procedure that the acquired set of activities and assets is not a business. The optional concentration test is positive if almost all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of identifiable assets with similar characteristics.

The consideration transferred and the identifiable net assets acquired are usually recognised at fair value. The carrying amount of any goodwill that arises is tested annually for impairment. Any gain from a bargain purchase is recognised immediately in the Income Statement under Adjustment of Investments, while costs related to the combination, other than those related to the issuance of debt or equity instruments, are recognised as an expense in profit/(loss) for the year when incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Normally, these amounts are recognised in profit/(loss) for the year.

The contingent consideration is booked at fair value on the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity related to the subsidiary. Any profit or loss deriving from the loss of control is recognised in profit/(loss) for the year. Any interest retained in the former subsidiary is measured at fair value when control has been lost.

Transactions eliminated on consolidation

Intra-group balances and significant transactions and any unrealised gains and losses arising from intra-group transactions are all eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. The related tax effect is calculated for all consolidation adjustments.

CONSOLIDATION SCOPE

The consolidation scope includes companies directly or indirectly controlled by the Parent Company, in addition to joint ventures and associates.

Parent Company:

Iren S.p.A.

Companies consolidated on a line-by-line basis

The four companies responsible for the single business lines and their direct and indirect subsidiaries are consolidated on a line-by-line basis.

1) Iren Ambiente and its subsidiaries:

- ACAM Ambiente
- AMIAT V and the subsidiary:
 - AMIAT
- Bonifica Autocisterne
- I.Blu
- Iren Ambiente Parma
- Iren Ambiente Piacenza
- ReCos
- Rigenera Materiali
- San Germano
- Territorio e Risorse
- TRM
- Unieco Holding Ambiente and its subsidiaries:
 - Borgo Ambiente
 - Iren Ambiente Toscana and its subsidiaries:
 - Futura
 - Produrre Pulito
 - Scarlino Energia
 - Scarlino Immobiliare
 - TB
 - Manduriambiente
 - Picena Depur
- Uniproject

2) Iren Energia and its subsidiaries:

- Asti Energia e Calore
- Iren Smart Solutions and its subsidiary:
 - Alfa Solutions and its subsidiary
 - Lab 231
- Maira and its subsidiary:
 - Formaira
- Puglia Holding and its subsidiaries:
 - ASI Troia FV1
 - Palo Energia
 - Piano Energia
 - Solleone Energia
 - Traversa Energia

3) Iren Mercato and its subsidiary:

- Salerno Energia Vendite

4) IRETI and its subsidiaries:

- ACAM Acque
- ASM Vercelli and its subsidiary:
 - ATENA Trading
- Consorzio GPO
- Iren Laboratori
- Iren Acqua and its subsidiary:
 - Iren Acqua Tigullio
- Nord Ovest Servizi

It is noted that in the first quarter of 2022, two corporate transactions became effective, while not involving changes in the consolidation scope, resulted in a streamlining of the Group's ownership structure:

- the merger of SidIren into Salerno Energia Vendite, effective 1 February 2022;
- the merger of Iren Energy Solutions into Iren Smart Solutions effective 1 March 2022.

For details of the subsidiaries, joint ventures and associates, please see the lists included in the Annexes.

CHANGES IN CONSOLIDATION SCOPE

As reported in "Significant events of the period," on 16 February 2022, the Group finalised the acquisition from European Energy of 100% of Puglia Holding, the holder of five Special Purpose Vehicles (SPVs) dedicated to solar photovoltaic power generation:

- ASI Troia FV1, in the municipality of Troia (province of Foggia), holder of authorisations for the construction and operation of two photovoltaic parks in San Vincenzo and Montevergine, with a total installed capacity of 103 MW;
- Palo Energia, Piano Energia, Solleone Energia, and Traversa Energia, owners of four photovoltaic parks related to the Palo del Colle complex (Province of Bari), with a total installed capacity of 18.5 MW, which came into operation in early 2022.

For this acquisition, pending the definition of the Purchase Price Allocation (PPA) to be completed in accordance with IFRS 3, the positive difference between the price paid and the provisional fair value, at the date of obtaining control, of the identifiable assets acquired and the identifiable liabilities assumed of the group of entities was allocated to goodwill. The relevant details are shown in the following table:

	thousands of euro
	Puglia Holding
Consideration transferred	
Cash and cash equivalents	187,367
Contingent consideration	-
Fair value of the price at the acquisition date	187,367
Provisional fair value of identifiable net assets	
Property, plant and equipment	99,725
Intangible assets with a finite useful life	2
Trade receivables	6,452
Current tax assets	485
Other receivables and other current assets	12,315
Cash and cash equivalents	6,968
Trade payables	(2,808)
Other payables and other current liabilities	(112)
Current tax liabilities	(1,866)
Provisions for risks and charges - current portion	(33)
Total provisional fair value of identifiable net assets	121,128
Provisional goodwill	66,239

At the same time as the Puglia Holding transaction, the Group entered into a commercial agreement with European Energy that provides for the possibility to exercise rights to invest, over an exclusive period, in certain photovoltaic assets under development, with a total installed capacity of 437.5 MW.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

thousands of euro

	31.03.2022	31.12.2021
ASSETS		
Property, plant and equipment	4,021,800	3,937,586
Investment property	2,439	2,456
Intangible assets with a finite useful life	2,712,127	2,646,864
Goodwill	274,328	208,089
Equity-accounted investments	220,611	217,339
Other equity investments	8,469	8,469
Non-current contract assets	89,756	77,262
Non-current trade receivables	19,333	20,824
Non-current financial assets	141,555	131,766
Other non-current assets	37,667	37,167
Deferred tax assets	446,647	427,572
Total non-current assets	7,974,732	7,715,394
Inventories	57,548	111,812
Current contract assets	79,670	46,391
Trade receivables	1,436,775	1,063,926
Current tax assets	6,736	7,114
Sundry assets and other current assets	412,164	385,061
Current financial assets	375,586	372,724
Cash and cash equivalents	541,491	606,888
Assets held for sale	1,144	1,144
Total current assets	2,911,114	2,595,060
TOTAL ASSETS	10,885,846	10,310,454

thousands of euro

	31.03.2022	31.12.2021
EQUITY		
Equity attributable to the owners of the parent		
Share capital	1,300,931	1,300,931
Reserves and Retained Earnings	1,283,706	966,512
Profit for the period	118,340	303,088
Total equity attributable to the owners of the parent	2,702,977	2,570,531
Equity attributable to non-controlling interests	391,637	380,129
TOTAL EQUITY	3,094,614	2,950,660
LIABILITIES		
Non-current financial liabilities	3,537,097	3,549,612
Employee benefits	103,037	105,601
Provisions for risks and charges	423,515	422,989
Deferred tax liabilities	206,568	182,997
Other payables and other non-current liabilities	499,076	495,809
Total non-current liabilities	4,769,293	4,757,008
Current financial liabilities	478,419	467,587
Trade payables	1,764,341	1,523,705
Current liabilities from contracts with customers	69,747	89,262
Other payables and other current liabilities	311,410	261,057
Current tax liabilities	111,628	48,674
Provisions for risks and charges - current portion	286,394	212,501
Liabilities related to assets held for sale	-	-
Total current liabilities	3,021,939	2,602,786
TOTAL LIABILITIES	7,791,232	7,359,794
TOTAL EQUITY AND LIABILITIES	10,885,846	10,310,454

CONSOLIDATED INCOME STATEMENT

	thousands of euro	
	First 3 months 2022	First 3 months 2021 Restated
Revenue		
Revenue from goods and services	2,154,737	1,094,789
Other income	30,979	44,664
Total revenue	2,185,716	1,139,453
Operating expenses		
Raw materials, consumables, supplies and goods	(1,302,842)	(346,560)
Services and use of third-party assets	(383,621)	(351,140)
Other operating expenses	(21,276)	(18,317)
Internal work capitalised	11,689	10,682
Personnel expense	(126,915)	(121,823)
Total operating expenses	(1,822,965)	(827,158)
GROSS OPERATING PROFIT (EBITDA)	362,751	312,295
Depreciation, amortisation, provisions and impairment losses		
Depreciation and amortisation	(121,154)	(111,951)
Provisions for impairment of receivables	(14,258)	(14,564)
Other provisions and impairment losses	(1,567)	(2,039)
Total depreciation, amortisation, provisions and impairment losses	(136,979)	(128,554)
OPERATING PROFIT (EBIT)	225,772	183,741
Financial management		
Financial income	2,880	17,919
Financial expense	(17,947)	(21,961)
Net financial expense	(15,067)	(4,042)
Gains on equity-accounted investments	(33)	-
Share of profit of equity-accounted investees, net of tax effects	2,862	(191)
Profit before tax	213,534	179,508
Income tax expense	(86,362)	(52,053)
- of which non-recurring	(24,064)	
Profit from continuing operations	127,172	127,455
Profit from discontinued operations	-	-
Profit for the period	127,172	127,455
attributable to:		
- the owners of the parent	118,340	120,431
- non-controlling interests	8,832	7,024

The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in the Unieco Waste Management Division and I.Blu, which took place at the end of 2021. Please refer to the "Basis of preparation" section for more information.

STATEMENT OF OTHER COMPREHENSIVE INCOME

	First 3 months 2022	thousands of euro First 3 months 2021 Restated
Profit/(loss) for the period - owners of the parent and non-controlling interests (A)	127,172	127,455
Other comprehensive income that will be subsequently reclassified to profit or loss		
- effective portion of fair value gains on cash flow hedges	21,482	7,334
- fair value gains/(losses) on financial assets	-	-
- share of other gains/(losses) of equity-accounted investees	-	-
- change in translation reserve	411	524
Tax effect	(5,079)	(1,832)
Total other comprehensive income to be subsequently reclassified to profit or loss, net of tax effect (B1)	16,814	6,026
Other comprehensive income that will not be subsequently reclassified to profit or loss		
- actuarial losses) on defined benefit plans (IAS 19)	-	-
- share of other gains/(losses) of equity-accounted investees related to employee defined benefit plans (IAS 19)	-	-
Tax effect	-	-
Total other comprehensive income not to be subsequently reclassified to profit or loss, net of tax effect (B2)	-	-
Total comprehensive income/(expense) (A)+(B1)+(B2)	143,986	133,481
attributable to:		
- the owners of the parent	133,972	126,143
- non-controlling interests	10,014	7,338

The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, as required by IFRS 3, the effects of completing the allocation of the acquisition price to the final fair value of the assets and liabilities acquired (Purchase Price Allocation) of the companies in the Unieco Waste Management Division and I.Blu, which took place at the end of 2021. Please refer to the "Basis of preparation" section for more information.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Share capital	Share premium reserve	Legal reserve
31/12/2020 Restated	1,300,931	133,019	76,713
Owner transactions			
Dividends			
Retained Earnings			
Repurchase of treasury shares			
Changes in consolidation scope			
Change in equity interests			
Other changes			
Total owner transactions	-	-	-
Comprehensive income for the period			
Profit for the period			
Other comprehensive income			
Total comprehensive income for the period	-	-	-
31/03/2021 Restated	1,300,931	133,019	76,713
31/12/2021	1,300,931	133,019	87,216
Owner transactions			
Dividends			
Retained Earnings			-
Repurchase of treasury shares			
Changes in consolidation scope			
Change in equity interests			
Other changes			
Total owners transactions	-	-	-
Comprehensive income for the period			
Net profit for the period			
Other comprehensive income			
Total comprehensive income statement for the period	-	-	-
31/03/2022	1,300,931	133,019	87,216

thousands of euro

Cash flow hedging reserve	Other reserves and retained earnings (losses carried forward)	Total reserves and retained earnings (losses and carried forward)	Profit (loss) for the period	Total equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
(19,501)	657,569	847,800	239,172	2,387,903	376,844	2,764,747
		-		-	(71)	(71)
	239,172	239,172	(239,172)	-		-
	(4,092)	(4,092)		(4,092)		(4,092)
	-	-		-	1,766	1,766
	2	2		2	(3)	(1)
-	235,082	235,082	(239,172)	(4,090)	1,692	(2,398)
			120,431	120,431	7,024	127,455
5,188	524	5,712		5,712	314	6,026
5,188	524	5,712	120,431	126,143	7,338	133,481
(14,313)	893,175	1,088,594	120,431	2,509,956	385,874	2,895,830
(14,465)	760,742	966,512	303,088	2,570,531	380,129	2,950,660
			-	-	(86)	(86)
	303,088	303,088	(303,088)	-		-
	-	-		-		-
	-	-		-		-
	-	-		-		-
	(1,526)	(1,526)		(1,526)	1,580	54
-	301,562	301,562	(303,088)	(1,526)	1,494	(32)
			118,340	118,340	8,832	127,172
15,221	411	15,632		15,632	1,182	16,814
15,221	411	15,632	118,340	133,972	10,014	143,986
756	1,062,715	1,283,706	118,340	2,702,977	391,637	3,094,614

CONSOLIDATED STATEMENT OF CASH FLOW

thousands of euro

	First 3 months 2022	First 3 months 2021 Restated
A. Opening cash and cash equivalents	606,888	890,169
Cash flows from operating activities		
Profit for the period	127,172	127,455
Adjustments:		
Income taxes for the period	86,362	52,053
Share of profit (loss) of associates and joint ventures	(2,862)	191
Net financial expense (income)	14,707	4,042
Amortisation and depreciation	121,154	111,951
Net impairment losses (reversals of impairment losses) on assets	33	-
Impairment losses on loans and receivables	14,258	14,564
Net provisions for risks and other charges	83,651	35,664
Capital (gains) losses	(31)	(541)
Payment of employee benefits	(2,949)	(2,535)
Utilisations of provisions for risks and other charges	(10,962)	(5,001)
Change in other non-current assets	4,000	(2,381)
Change in other payables and other non-current liabilities	3,267	(413)
Taxes paid	-	-
ETS Purchase	(30,899)	(26,697)
Cash flows for transactions on commodities derivatives markets	(45,688)	4,580
Other changes in equity	54	8
Change in inventories	54,215	11,812
Change in contract assets	(45,773)	(5,137)
Change in trade receivables	(403,397)	(139,780)
Change in current tax assets and other current assets	(35,498)	(10,690)
Change in trade payables	237,828	(61,394)
Change in liabilities from contracts with customers	(19,515)	(8,207)
Change in current tax liabilities and other current liabilities	50,241	76,795
B. Net cash and cash equivalents generated by operating activities	199,368	176,339
Cash flows from/(used in) investing activities		
Investments in property, plant and equipment and intangible assets	(140,614)	(122,294)
Investments in financial assets	(32)	(200)
Proceeds from the sale of investments	394	2,423
Changes in consolidation scope	(184,899)	2,579
Dividends received	-	101
C. Net cash and cash equivalents generated by investing activities	(325,151)	(117,391)
Cash flows from/(used in) financing activities		
Capital increase	-	-
Purchase of treasury shares	-	(4,092)
Dividends paid	(3,935)	(4,128)
Purchase of interest in consolidated companies	-	-
New non-current loans	-	5,000
Repayment of non-current loans	-	(5,135)
Change in lease liabilities	(2,482)	(2,537)
Change in other financial payables	2,776	(19,158)
Change in loan assets	66,731	(29,786)
Interest paid	(3,431)	(1,057)
Interest received	727	752
D. Net cash and cash equivalents generated by financing activities	60,386	(60,141)
E. Cash flow for the period (B+C+D)	(65,397)	(1,193)
F. Closing cash and cash equivalents (A+E)	541,491	888,976

The comparative figures of the First quarter of 2021 have been restated to take into account, at the acquisition date, the effects of the completion of the Purchase Price Allocation of the Unieco Waste Management Division and I. Blu, which took place at the end of 2021.

LIST OF CONSOLIDATED COMPANIES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
Iren Ambiente S.p.A.	Piacenza	Euro	63,622,002	100.00	Iren
Iren Energia S.p.A.	Turin	Euro	918,767,148	100.00	Iren
Iren Mercato S.p.A.	Genoa	Euro	61,356,220	100.00	Iren
Ireti S.p.A.	Genoa	Euro	196,832,103	100.00	Iren
Acam Acque S.p.A.	La Spezia	Euro	24,260,050	100.00	Ireti
Acam Ambiente S.p.A.	La Spezia	Euro	3,000,000	100.00	Iren Ambiente
Alfa Solutions S.p.A.	Reggio Emilia	Euro	100,000	86.00	Iren Smart Solutions
AMIAT S.p.A.	Turin	Euro	46,326,462	80.00	AMIAT V
AMIAT V S.p.A.	Turin	Euro	1,000,000	93.06	Iren Ambiente
Asi Troia FV1 S.r.l.	Turin	Euro	80,200	100.00	Puglia Holding
ASM Vercelli S.p.A.	Vercelli	Euro	120,812,720	59.97	Ireti
Asti Energia e Calore S.p.A.	Asti	Euro	120,000	62.00	Iren Energia
Atena Trading S.r.l.	Vercelli	Euro	556,000	100.00	ASM Vercelli
Bonifica Autocisterne S.r.l.	Piacenza	Euro	595,000	51.00	Iren Ambiente
Borgo Ambiente S.c.a.r.l.	Reggio Emilia	Euro	100,000	51.00	UHA
Consorzio GPO	Reggio Emilia	Euro	20,197,260	62.35	Ireti
Formaira S.r.l.	San Damiano Macra (CN)	Euro	40,000	100.00	Maira
Futura S.p.A.	Grosseto	Euro	7,000,000	40.00	Iren Ambiente Toscana
				20.00	Iren Ambiente
I. Blu S.r.l.	Pasian di Prato (UD)	Euro	9,001,000	80.00	Iren Ambiente
Iren Acqua S.p.A.	Genoa	Euro	19,203,420	60.00	Ireti
Iren Acqua Tigullio S.p.A.	Chiavari (GE)	Euro	979,000	66.55	Iren Acqua
Iren Ambiente Parma S.r.l.	Parma	Euro	4,000,000	100.00	Iren Ambiente
Iren Ambiente Piacenza S.r.l.	Piacenza	Euro	4,000,000	100.00	Iren Ambiente
Iren Ambiente Toscana S.p.A.	Florence	Euro	15,934,370	64.71	UHA
				35.29	Iren Ambiente
Iren Laboratori S.p.A.	Genoa	Euro	2,000,000	90.89	Ireti
Iren Smart Solutions S.p.A.	Reggio Emilia	Euro	2,596,721	60.00	Iren Energia
				20.00	Iren Ambiente
				20.00	Iren Mercato
LAB 231 S.r.l.	Parma	Euro	10,000	100.00	Alfa Solutions
Maira S.p.A.	San Damiano Macra (CN)	Euro	596,442	66.23	Iren Energia
Manduriambiente S.p.A.	Manduria (TA)	Euro	4,111,820	95.28	UHA
Nord Ovest Servizi S.p.A.	Turin	Euro	7,800,000	45.00	Ireti
				30.00	Amiat
Palo Energia S.r.l.	Turin	Euro	10,000	100.00	Puglia Holding
Piano Energia S.r.l.	Turin	Euro	10,000	100.00	Puglia Holding
Picena Depur S.r.l.	Ascoli Piceno	Euro	46,000	100.00	UHA
Produrre Pulito S.r.l.	Sesto Fiorentino (FI)	Euro	25,721	100.00	Iren Ambiente Toscana
Puglia Holding S.r.l.	Turin	Euro	10,000	100.00	Iren Energia
ReCos S.p.A.	La Spezia	Euro	1,000,000	99.51	Iren Ambiente
Rigenera Materiali S.r.l.	Genoa	Euro	3,000,000	100.00	Iren Ambiente
Salerno Energia Vendite S.p.A.	Salerno	Euro	3,312,060	50.00	Iren Mercato
San Germano S.p.A.	Turin	Euro	1,425,000	100.00	Iren Ambiente
Scarlino Energia S.p.A.	Scarlino (GR)	Euro	1,000,000	89.54	Iren Ambiente Toscana

Company	Registered office	Currency	Share capital	% interest	Shareholder company
Scarlino Immobiliare S.r.l.	Florence	Euro	10,000	100.00	Iren Ambiente Toscana
Solleone Energia S.r.l.	Turin	Euro	10,000	100.00	Puglia Holding
TB S.p.A.	Florence	Euro	2,220,000	90.09	Iren Ambiente Toscana
Territorio e Risorse S.r.l.	Turin	Euro	2,510,000	65.00	Iren Ambiente
Traversa Energia S.r.l.	Turin	Euro	10,000	100.00	Puglia Holding
TRM S.p.A.	Turin	Euro	86,794,220	80.00	Iren Ambiente
Unieco Holding Ambiente (UHA) S.r.l.	Reggio Emilia	Euro	49,324,031	100.00	Iren Ambiente
Uniproject S.r.l.	Maltignano (AP)	Euro	91,800	100.00	Iren Ambiente

LIST OF JOINT VENTURES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
Acque Potabili S.p.A. in liquidazione (in liquidation)	Turin	Euro	7,633,096	47.546	Ireti

LIST OF ASSOCIATES

Company	Registered office	Currency	Share capital	% interest	Shareholder company
A2A Alfa S.r.l. (1)	Milan	Euro	100,000	30.00	Iren Mercato
Acos S.p.A.	Novi Ligure	Euro	17,075,864	25.00	Ireti
Acos Energia S.p.A.	Novi Ligure	Euro	150,000	25.00	Iren Mercato
Acquaenna S.c.p.a.	Enna	Euro	3,000,000	48.50	Ireti
Aguas de San Pedro S.A. de C.V.	S.Pedro Sula (Honduras)	Lempiras	159,900	39.34	Ireti
Aiga S.p.A. (1)	Ventimiglia	Euro	104,000	49.00	Ireti
Amat S.p.A. (1)	Imperia	Euro	5,435,372	48.00	Ireti
Amter S.p.A.	Cogoleto (GE)	Euro	404,263	49.00	Iren Acqua
ASA S.p.A.	Livorno	Euro	28,613,406	40.00	Ireti
Asa S.c.p.a.	Castel Maggiore (BO)	Euro	1,820,000	49.00	Iren Ambiente
Astea S.p.A.	Recanati (MC)	Euro	76,115,676	21.32	Consorzio GPO
Asti Servizi Pubblici S.p.A.	Asti	Euro	7,540,270	45.00	Nord Ovest Servizi
Barricalla S.p.A.	Turin	Euro	2,066,000	35.00	Iren Ambiente
BI Energia S.r.l.	Reggio Emilia	Euro	100,000	47.50	Iren Energia
Centro Corsi S.r.l.	Reggio Emilia	Euro	12,000	33.00	Alfa Solutions
CSA S.p.A. (1)	Terranuova Bracciolini (AR)	Euro	1,369,502	47.97	Iren Ambiente Toscana
CSAI S.p.A.	Terranuova Bracciolini (AR)	Euro	1,610,511	40.32	Iren Ambiente Toscana
Fata Morgana S.p.A. (2)	Reggio Calabria	Euro	2,225,694	25.00	Ireti
Fin Gas S.r.l.	Milan	Euro	10,000	50.00	Iren Mercato
Fratello Sole Energie Solidali Impresa Sociale S.r.l.	Genoa	Euro	350,000	40.00	Iren Energia
G.A.I.A. S.p.A.	Asti	Euro	5,539,700	45.00	Iren Ambiente
Global Service Parma S.c.a.r.l. (1)	Parma	Euro	20,000	30.00	Ireti
Iniziative Ambientali S.r.l.	Novellara (RE)	Euro	100,000	40.00	Iren Ambiente
Mondo Acqua S.p.A.	Mondovi (CN)	Euro	1,100,000	38.50	Ireti
Piana Ambiente S.p.A. (2)	Gioia Tauro	Euro	1,719,322	25.00	Ireti
Rimateria S.p.A. (3)	Piombino (LI)	Euro	4,589,273	30.00	Iren Ambiente
SEI Toscana S.r.l.	Siena	Euro	44,272,566	30.96	Iren Ambiente Toscana
Seta S.p.A.	Turin	Euro	12,378,237	48.85	Iren Ambiente
Senambiente S.p.A.	Siena	Euro	2,866,575	40.00	Iren Ambiente Toscana
Sinergie Italiane S.r.l. (1)	Milan	Euro	1,000,000	30.94	Iren Mercato
STU Reggiane S.p.A.	Reggio Emilia	Euro	12,222,580	30.00	Iren Smart Solutions
Tirana Acque S.c. a r.l. (1)	Genoa	Euro	95,000	50.00	Ireti
Valle Dora Energia S.r.l.	Turin	Euro	537,582	49.00	Iren Energia

(1) Company in liquidation

(2) Company in liquidation classified under assets held for sale

(3) Company in bankruptcy

Certification by the Manager in charge of financial reporting pursuant to Article 154-bis, paragraph 2 of Italian Legislative Decree no. 58/1998 ("Testo Unico della Finanza" [Consolidated Finance Act])

The undersigned Anna Tanganelli, Manager in charge of financial reporting of IREN S.p.A declares, pursuant to paragraph 2 of Article 154-bis of the "Testo Unico della Finanza" [Consolidated Finance Act] that the accounting information contained in this Consolidated Quarterly Report as at 31 March 2022 corresponds to the documentary records, books and accounting entries.

12 May 2022

Manager in charge of financial reporting
under Law 262/05

Anna Tanganelli

(signed on the original)



iren